

MAY 22 1951

THE  
ROUND TABLE  
*A Quarterly Review of*  
BRITISH  
COMMONWEALTH  
AFFAIRS

---

*Contents of Number 162*

**KOREA AND THE UNITED NATIONS**

**ANGLO-EGYPTIAN RELATIONS**

**THE COMMONWEALTH AT STRASBOURG**

**NEPAL IN TRANSITION**

**THE CAPE COLOURED FRANCHISE**

**AMERICA CLEARS THE DECKS**

Articles from Correspondents in

**UNITED KINGDOM IRELAND INDIA PAKISTAN CANADA**

**AUSTRALIA NEW ZEALAND CEYLON**

And a Note on

**BRITISH COMMONWEALTH RELATIONS**

**MARCH 1951**

**Price 7s. 6d.**

By Air Mail Ten Shillings



Of course you want a bit of profit on your money; who doesn't—especially when it's free of income tax? So grab your chance *now* and start buying some of the *new* Savings Certificates. Every 15/- Certificate becomes 20/3 in ten years. That's bigger interest—equivalent to £3.0.11 per cent. p.a. if held for the full period, or a

gross interest rate of £5.10.9 per cent. (taking into account the present standard rate of income tax). Do yourself and the Nation a bit of good. Buy all you can but don't disturb the issues you already hold—remember, they are still earning good interest and are growing in value.

15/- National Savings Certificates are obtainable from Banks, Post Offices or through a Savings Group.

*Buy the new 15/-*  
**SAVINGS CERTIFICATES**

Issued by the National Savings Committee

THE ROUND TABLE is a co-operative enterprise conducted by people who dwell in the different parts of the British Commonwealth, and whose aim is to publish once a quarter a comprehensive review of imperial politics, free from the bias of local party issues. To this is added a careful and impartial treatment of outstanding international problems that affect the nations of the Commonwealth. The affairs of THE ROUND TABLE in each portion of the Commonwealth are in the hands of local residents, who are responsible for all articles on the politics of their own country. It is hoped that in this way THE ROUND TABLE serves to reflect the current opinions of all parts about imperial problems, and at the same time to present a survey of them as a whole, in the light of changing world conditions.

THE ROUND TABLE, which appears every March, June, September and December, can be obtained through any Bookseller or through:

**GREAT BRITAIN, IRELAND, AND AUSTRALIA:** THE ROUND TABLE, LTD., 15  
Ormond Yard, Duke of York Street, London, S.W. 1.

**CANADA:** H. W. Macdonnell, 1404 Montreal Trust Building, 67 Yonge Street,  
Toronto, Ontario.

**SOUTH AFRICA:** The Secretary, THE ROUND TABLE, Diocesan College,  
Rondebosch.

**NEW ZEALAND:** The Secretary, THE ROUND TABLE, c/o Messrs. McKay, Little  
and Knight, National Mutual Building, Wellington.

**UNITED STATES:** The Macmillan Co., 60 Fifth Avenue, New York.

Any would-be reader of THE ROUND TABLE who has difficulty in obtaining it through his usual bookseller is requested to write at once to the nearest of these addresses.

The price of THE ROUND TABLE is 7s. 6d. or \$1.25 per copy, and the annual subscriptions (including postage) 30s., in U.S.A. and Canada \$5. There is a limited air edition at 10s. or \$2.50 per copy, or 40s. or \$10 per annum.

Covers for binding volumes may be obtained at the price of 3s. 6d. from THE ROUND TABLE, Ltd., London, who will also supply back numbers of THE ROUND TABLE at the published price, if stocks allow. A limited number of copies of the Index and Title-page are annually available, free of charge, to those subscribers who bind THE ROUND TABLE, and may be obtained on application to any of the above agents, or to THE ROUND TABLE, Ltd., 15 Ormond Yard, Duke of York Street, London, S.W. 1.

#### PERMISSION TO REPRINT

For permission to reprint matter that has appeared in THE ROUND TABLE application should be made to the Editor, 15 Ormond Yard, Duke of York Street, London, S.W. 1, or, in Canada, South Africa, and New Zealand, to the Hon. Secretaries of THE ROUND TABLE Groups whose addresses are given above.

# THE ROUND TABLE

A QUARTERLY REVIEW OF  
BRITISH COMMONWEALTH AFFAIRS

## CONTENTS

	PAGE
Korea and the United Nations	107
Anglo-Egyptian Relations	113
The Commonwealth at Strasbourg	120
Nepal in Transition	127
The Cape Coloured Franchise	135
America Clears the Decks	143
United Kingdom: New Defence Programme	149
Ireland: The Economic Crisis	158
India: A Year of the Republic	165
Pakistan: Kashmir and the London Conference	170
Canada: An Atlantic Power Turns West	175
Australia: Labour and Communism	180
New Zealand: Death of Mr. Fraser	187
Ceylon: Asianism and the Commonwealth Connection	193
Commonwealth Relations: The Downing Street Conference	200
Declaration by Commonwealth Prime Ministers	203

No. 162

March 1951

Price 7/6

By air mail 10/-

London: THE ROUND TABLE, LTD.

*Printed in Great Britain and entered as second-class matter November 6, 1916, at the Post Office at New York, N.Y., under the Act of March 3, 1879 (Sec. 397 P.L. and R.)*

## KOREA AND THE UNITED NATIONS

### THE DENUNCIATION OF THE CHINESE AGGRESSOR

*Et omnes populi clamaverunt, et dixerunt, magna est veritas et praevalet.* The declaration of Communist China as an aggressor was inevitable because public opinion in the United States insistently demanded it; yet also because the charge is true.

Impolitic the declaration may have been, for in the short term it cannot allay and may inflame the dangerous passions playing round the Korean war; it contributes nothing directly to the cause of peace, to serve which the United Nations was created. It might have been more prudent to maintain silence upon the abstract principle. Yet peace is not the sole end of the United Nations, which stands also, and first, for justice. In the long run an institution professing the highest moral ideals cannot preserve its authority in the world unless it is ready at need to proclaim the faith that is in it, even when policy might recommend a less bold course.

The most naïve will not expect the denunciation of China to have any direct influence upon military events in Korea or elsewhere. It was soon followed by a Soviet motion—heavily defeated, of course—to declare the United States an aggressor nation. This move may be taken as further evidence for the view that there is closer concert between Russian and Chinese Communism than Mr. Nehru is ready to acknowledge. A clear understanding between the two is also implicit in Mr. Stalin's general indictment of the Western Powers, published as an interview in *Pravda* on February 16. So far as present strategy is concerned, the motion passed and the motion rejected at Lake Success stand merely as manifesto and counter-manifesto in the war of nerves. The anti-Communist nations having now publicly affirmed their principles and their moral judgment, the essential question is: What are they to do next?

The answer to be given must evidently be founded upon the doctrine which is the very starting-point of post-war foreign policy for Britain and the British Commonwealth. It is above all things essential to maintain a common purpose and a common policy with the United States. Divergencies of counsel have been very evident at Lake Success, and must not be slurred over by vague words; but they do not proceed from differences of principle. It is to be hoped that American public opinion will come to appreciate the reasons why the United Kingdom gave only lukewarm support to the motion condemning China, while India voted against it and Pakistan abstained. The original aggression was committed by North Korea, and the British denunciation of that was as prompt and whole-hearted as the American. Thereafter, the situation was that of a civil war raging in Korea, with an international army intervening under the commission of the United Nations. As General MacArthur, in his first great offensive, pressed the defeated North Koreans back to the very frontier of Manchuria, it was quite inevitable that the Chinese Government should feel deeply concerned. The interest of a Great Power in active operations conducted in immediate proximity to its own

frontier has always been internationally acknowledged, whatever the rights and wrongs of the origin of the war. Suppose that the United States of Mexico had lapsed into civil war, and that a Communist confederation among them—possibly with right on their side on the constitutional issue of secession—had called in the aid of a Soviet or Chinese army. Would it be unreasonable if the U.S.A. claimed the right to intervene, and that probably at an even earlier stage in the war than corresponded to the moment of Chinese intervention in Korea? This analogy is not advanced in order to cast doubt upon the moral value of the resolution passed by the United Nations, but rather to suggest that those who are surprised at the Chinese action are expecting of the Peiping Government a standard of virtue and self-restraint which is, no doubt regrettably, rare in international affairs.

Our American friends would also do well to remind themselves that British opinion, and indeed all European opinion, is necessarily influenced in such a crisis as this by the unhappy memory, which Americans do not share, of their experience of the League of Nations in trying to apply a similar resolution to the defence of Abyssinia against Italian aggression.

Besides these imponderables, we have to allow for the concrete differences which have appeared in the Asiatic policy of the two nations. The British Government, which regards diplomatic recognition as the consequence of a judgment of fact, has extended it to the Chinese Communist Government. The United States, which considers that it involves a moral judgment, continues to treat the Kuomintang as the lawful government of China. This difference entails no dissension between the two nations in relation to Korea; it seriously affects their attitude to the question of the future of Formosa. For Formosa, under the war-time agreement between the allies, was to be regarded as a part of China; and it seems to follow that each nation should be prepared to support the claim to sovereignty in the island of that Chinese Government which it has chosen to recognize. Naturally, no British statesman would carry this argument to its logical extreme and actively assist the Chinese Communists to extend their authority to territory where their writ does not yet run. We are anxiously aware, however, that on the one hand Peiping is even more determined to secure possession of Formosa than to control Korea, and that on the other hand the United States is equally adamantine in its resolve to exclude the Communists from the island.

The strength of American feeling on this subject and the grounds for it require to be understood by the friends of the United States. The islands off the coast of Asia were liberated from the Japanese Empire almost entirely by American effort, and at a cost in blood and treasure unexampled in the national history. Among these islands Formosa, unlike Korea, is a stronghold of high strategic value; and to hand it over now to a China that has become Communist, and is universally regarded in the United States as the close confederate of the Soviet Union, seems to Americans a deliberate betrayal of the cause of liberty for which so many American lives were given. Whether any escape can be found from the dilemma—for instance, through some sort of consultation of the people of Formosa itself, whose views are

seldom mentioned—does not yet appear. What troubles British opinion much more than the rights and wrongs of the matter is the manifest danger that through this intractable dispute the United States may become involved in a major war with China and its military and naval strength be tied down in the Far East.

### The Question of Sanctions

FOR the present, with the possibility of aggression from any point of the circumference of the vast land mass occupied by the Communist empires, the strategic need of both the United States and the British Commonwealth is to keep their combined power flexible and mobile. The simplest answer to the question how the U.N. declaration against Communist China should be followed up is to consider how the Soviet would wish their adversaries to act, and then choose a different course. It would evidently suit the purposes of the Communist Powers if the United Nations should become strategically involved in an endless war on the mainland of China, and politically involved in an automatic succession of expanding commitments by which its freedom of action would be destroyed. Here may be perceived the practical value of the limitations the United States was persuaded, mainly by the force of the British case so ably expounded by Sir Gladwyn Jebb, to impose upon the originally sweeping terms of its motion. To have linked the imposition of sanctions immediately and rigidly with the declaration against aggression would have been tantamount to conferring the real initiative permanently upon the other side. If every minor aggression is to entail upon the United Nations, first the duty of denouncing it, and then the automatic necessity to apply sanctions, it follows that the principal mischief-maker has only to create incidents like the Korean at various points within the sphere of his influence in order to pin down more and more of the United Nations' military and economic strength.

At the time of writing it is not yet known what will come of the compromise procedure adopted at Lake Success, under which the "good offices committee" is to attempt to bring Communist China to parley, and so to arrange conditions for a cease-fire in Korea, before the question of sanctions is again raised. While the tide of battle sways back and forth in the region of the original dividing line on the 38th parallel, there have been some slight signs that the Communists might modify their intransigent attitude. It would be unduly sanguine to assume that the proposed seven-Power conference will ever come into being; and if the attempt breaks down the proposal for sanctions may revive. Our American correspondent, however, expresses on page 148 the view that sanctions postponed are in effect sanctions abandoned. If he is right, the best British judges of the strategic situation are likely to feel much relieved. This is not to say, of course, that no action in the nature of economic pressure or blockade should be taken against the North Koreans and their Chinese abettors as a sequel to the U.N. resolution. There is substance in the complaint, which has been made in America and in American periodicals published in Europe, that the enemy is being helped by supplies of oil from Borneo and Indonesia which pass into China through the port of

Hongkong. The cutting of this line of communication would be a very proper subject of consideration in future councils of war between Great Britain and the United States. But the private discussion between responsible strategists of the probable effectiveness of this and similar measures is one thing; to proclaim to the world and the enemy the intention of indiscriminate corporate sanctions is quite another. It is seldom wise to place an opponent in a position where he has no dignified or honourable course but defiance. There is a touch in the handling of diplomacy in eastern countries, an instinct not to be displayed in the market place, only known to those who have cared to seek it. It is again necessary to recall the lessons of the Abyssinian failure, which proved that general sanctions against a major Power are ineffective unless those who impose them are prepared to incur the risk of war. For the United States, with or without the co-operation of the main forces of her British allies, to become involved in unlimited war with Communist China would be the gravest strategic disaster for the Western Powers. The supreme danger to be apprehended is that the United States may become so deeply committed in the Far East that she is unable to give effective support to the defence of Europe.

### The Priority of Europe

TO insist upon the strategic priority of Europe is not to urge a selfish interest of Great Britain. The British Commonwealth has no tendency to underestimate the importance of Asia. It is true that the United States has borne the immensely greater part in the campaign in Korea, and has suffered losses in comparison with which those of other Powers are insignificant. In proportion to population, however, Great Britain has scarcely smaller forces engaged against Communism in the Malayan peninsula; and the same is true of France in Indo-China. All three Powers are fighting in the same cause in Asia; and all three should have the same reason to appreciate that in the long run the success or failure of that cause depends on the fate of Europe. Only in Europe can the balance of world power be ultimately turned. At present the potential resources of the West considerably surpass those of the Communist Powers; it is the one present security against world war. But if Europe fell to the Communists, its strength added to that of Russia and Communist Asia would outweigh that of the United States. It is fortunate for the world that, although a fierce debate is now raging, as our American correspondent shows, between three schools of thought represented by Mr. Hoover, Mr. Taft and Mr. Truman, this fundamental truth of world strategy has the recognition of the Administration itself. It has been notably reinforced within the last few weeks by the speeches of General Eisenhower, who has returned from his tour of Europe fully seized of the essentials of the situation, and able to expound them with commanding authority. That they should be grasped at this moment is of the greatest importance, now that the long postponed project for a four-Power conference on the future of Germany is in sight of fulfilment. When the conference takes place, no exaggerated expectation of agreement will be entertained in the West. The Russians have

shown no sign of readiness to modify the quite unacceptable terms of the Prague declaration, which they propose as the subject-matter of the conference. They will no doubt continue to demand the abandonment of the proposal to rearm the western Germans, and to give the Communist quarter of the country equal weight with the liberal three-quarters in drafting the constitution of a re-united republic. The arming of the western Germans, authorized at the Brussels Conference, is still a project and not a fact; in the foreign policy debate of February 12 Mr. Attlee, substantially agreeing with the view expressed in the last number of this journal, laid down that it should not be carried out until the democratic nations had themselves rearmed. It may be necessary, when negotiating with the Russians, to consider dropping the rearmament of the west Germans in return for the disarmament of the east Germans now perfunctorily disguised as police; just as it will be natural to offer to treat of a unitary constitution provided that the two parts of Germany are represented in the drafting in proportion to their population. These obviously reasonable amendments to the Prague programme will not, however, prevail by virtue of reason; their only chance of acceptance depends upon their being backed by visible power. To open a possibility of success for the four-Power conference it is required that American public opinion shall fully accept the priority of Europe as an American interest, and that as a corollary major American forces shall not be committed in the Far East.

This is the background to the strategy of the Korean campaign and all that might develop, and must be prevented from developing, out of it. No one knows where Communist aggression will strike next; but wherever it strikes it is the common interest of the United Nations, and especially of the United States and the British Empire acting together, to hold it in check. In the foreign policy debate Mr. Eden gave a grave warning of the threat presented to Jugoslavia by the heavily armed Soviet satellites, Hungary, Rumania and Bulgaria. Behind Jugoslavia lies Greece and the Mediterranean seaway. An attack on Jugoslavia would compel the Western Powers to come to her assistance, not because they are more sympathetic to the Titoist than to the Stalinist version of Marx's creed, but because their vital strategic interests are involved. In a remarkable book\* lately published, which expands an argument originally advanced in *THE ROUND TABLE*, attention is drawn to the critical areas round the Persian Gulf and the Middle Eastern oilfields where a void has been left in the power system of the world through the withdrawal of British forces from India and Pakistan, the traditional base of their protection. The danger that may show itself here at any time needs thorough Anglo-American planning to cover the gap. Tibet is constantly menaced. Communist forces in Malaya and Indo-China are continually on the look-out for further support from the north.

It is because the strategic reserve of the United Nations, which in the immediate future is almost wholly American, may be required at very short notice to buttress any of these points against Communist attack, that any deeper commitment in the Far East is to be deprecated. It does not follow

\* *Wells of Power*, by Sir Olaf Caroe. Macmillan, 15s. See *THE ROUND TABLE*, No. 154, March 1949, pp. 131-7.

that the evacuation of South Korea, which had necessarily to be considered during General MacArthur's great retreat, would have strategic advantages to counter-balance the ruinous loss of prestige that it would involve. It is true that a substantial American army is pinned down in Korea; it is also true that this disadvantage cuts both ways. In estimating one's own difficulties it is easy to overlook the enemy's; there have been hints of late that Communist China is more severely strained by the effort to maintain the so-called volunteers in Korea than is the United States to keep up the defence of the south. Communist commitments on the 38th parallel may well limit the risk of an irruption towards the south-east and the great rice-fields on which the sustenance of Asia so largely depends. The political objective of the United Nations is vindicated if a defensive line can be created, as now seems probable, behind which the independence of South Korea can be secure. By the same military means it is at least arguable that the United Nations can organize the classic strategy of sea power, which enables its possessors to engage their adversary at the limits of his dominion, and so keep his resources always uncomfortably stretched. We cannot, without imposing a dangerous rigidity upon ourselves, prevent the Communist Chinese from keeping, if they wish, a grip upon part of Korea. But in maintaining that grip the Communist colossus may contract the same kind of running sore as, in another Peninsula, wasted the strength of the Napoleonic empire. Moore and Wellington in their day had as painful experience of retreat before overwhelming force as has befallen the commanders in Korea; yet even at Corunna and Torres Vedras they were effectively wasting the enemy's strength. So long as General MacArthur is not tempted to depart from the first principle of this strategy by becoming involved on the China mainland, he may once more demonstrate its value.

The object, however, of the campaign in Korea is not to undermine the strength of China, but, first, to prove that the word of the United Nations, given to guarantee the liberties of a small people, will in all circumstances be honoured, and then to prepare the way for a just and stable peace. The immediate strategic aim will have been achieved if it is proved, as General MacArthur seems now to be in process of proving, that the United Nations can hold the southern half of the peninsula indefinitely; for then the Chinese must eventually perceive that it is in their own interest to come to terms. A military deadlock on or about the 38th parallel could be politically welcome as the prelude to negotiations, in which both sides, recognizing that there was nothing of value to be gained in the field, might be predisposed to seek a compromise, not only on the ultimate unification of Korea, but even in their still more obstinate dispute over the disposal of Formosa.

# ANGLO-EGYPTIAN RELATIONS

## AFFINITY DISTORTED BY POLITICS

FROM time to time Englishmen living in friendly, hospitable Egypt are surprised and amused to receive letters from anxious relatives in England hoping that they are safe and imploring them to be careful! In fact, the political struggle between Britain and Egypt has been rather like aerial warfare; it has hardly affected the people on the ground. Only occasionally have they had to take cover, and never for long. The reason for this is the liking which exists between Britons and Egyptians.

One must insist on this liking, for it plays a vital part in the relations between the two countries. It has survived persistent attempts by elements on both sides to destroy it. It has survived the effects of numerous blunders of policy and breaches of good taste by Britons in both Egypt and Britain, and the attacks of extreme nationalist politicians, mischief-making journalists, xenophobes, false historians and alien propaganda in Egypt. The truth is that the average Briton and the average Egyptian understand each other pretty well. The Egyptian is simple, humorous, impulsively generous: the Briton has proved a good employer, a conscientious servant, a loyal friend. British character, especially as revealed during times of great trial, has made its deep impression on the Egyptian and has neutralized many scurrilous press campaigns and much slander. Conversely, Britons in Egypt know that the ranting of the extremists does not represent the feeling of the mass of the Egyptian people, and remember how valuably Egypt supported Britain during the 1939-45 war. However much Egyptians have condemned British policy and however vehemently they have opposed it, they have never shown the sustained murderous hatred that has disfigured other political campaigns against the British, as in Ireland in 1919 or during the Zionist terrorism in Palestine in 1947-48. It was possible for the late Prime Minister, Nokrashy Pasha, to go to the Security Council and damn British policy up hill and down dale, but that did not affect his regard for the British people, some of whom were his close and valued friends. Anglo-Egyptian friendship has well stood the searching test of some seventy years of British occupation and thirty years of Egyptian struggle for complete and unfettered independence.

Before discussing the obstacles to complete understanding between Britain and Egypt it is necessary to define the Egypt to which one refers when one says "Egypt thinks" or "Egypt wants". Egyptian politicians and editors are very prone to insist that "the entire population of Egypt" or "the whole people of the Nile Valley" think such a thing or demand such another. In fact, political consciousness hardly stirs among the great majority of the Egyptian people, and few of them are capable of comprehending such issues as evacuation or the Sudan. Their chief preoccupation is the ever-increasingly difficult struggle to earn their insufficient daily bread. It is true, or at least probable, that country-wide agitation could be raised against the British, or any other community, but it would not be purely on the rights

and wrongs of occupation or the fine points of the future of the Sudanese. The cause would have to be far simpler and cruder, such as an appeal to religious susceptibilities. Political Egypt is a small, organized, highly vocal, professional minority: and politicians have become so discredited in Egypt that this minority is probably smaller now than ever since 1919. Intelligent, educated and sensitive Egyptians are more and more withdrawing from participation in public political life, unfortunately, leaving the field to the demagogues. So the Egypt which demonstrates in the streets tends increasingly to consist of students and schoolchildren whose knowledge of international affairs matches their immaturity, the "two-piastre boys" who are a kind of stage army of paid supporters, the idlers and hooligans hoping for opportunities to create disorder and then loot. Public opinion as understood in literate countries can hardly be said to exist, but there is considerable receptivity to slogans emphasizing the ardent nationalism and patriotism of the utterer. These slogans are not, however, always grasped by those who repeat them, and on at least two occasions recently a crowd of demonstrators has been heard automatically crying "Down with Egypt!" immediately after having shouted "Down with Britain!" because some humorist among them gave them that lead.

### The Sources of Estrangement

LET us now pass to some of the factors which have prevented complete Anglo-Egyptian understanding. On the British side, generally, they have arisen from lack of imagination and failure to appreciate the volatile and highly responsive Egyptian character. On the Egyptian side, there have been the irresponsibility and ignorance of much of the press, which has created and fostered certain myths about the British; internal political rivalries, spites and jealousies which have made foreign relations a plaything of the parties; and an unrealistic short-sightedness that too often has caused Egypt to lash out at her friends with serious damage to her own interests. "Egypt today is left without a single friend", complained a leading Cairo newspaper recently, and "there is no country in the world with which she has not cultivated trouble." The apparently disproportionate amount of their space which Egyptian papers devote to attacking Britain must, however, be viewed in its proper perspective. For Britain, Egypt is only one of many problems; for Egypt, Britain is the main problem, overshadowing all others.

The chain of lost British opportunities stretches back at least to the conclusion of the 1936 Treaty. The Egyptians accuse the British of violation of the spirit of the 1899 Condominium Agreements by having deprived Egypt of a fair share in the administration of the Sudan. Egyptian intrigues in Khartum, which led directly to the bloody mutiny of 1924, were undoubtedly sufficient justification at that time for clearing out seditious Egyptian officials from the Sudan Government service. They did not, however, entirely justify a continuance of a policy of exclusion of Egyptians. If, when the 1936 Treaty was being negotiated, Britain had said that bygones would be bygones and that a reasonable proportion of suitable Egyptians would be re-admitted to

the Administration, much of the subsequent bitterness could have been avoided. It must be said, of course, that Egypt has been her own worst enemy in the Sudan. She has not usually offered good candidates for such posts as have been open to Egyptians, and her representatives there, including schoolmasters and technicians, have often been little more than anti-British agitators. Above all, the low standards of public behaviour, honesty and efficiency obtaining in the Egyptian government have been powerful arguments against substantial Egyptian participation in the guidance of the Sudanese. Nevertheless, Britain failed to take a chance that might well have succeeded and whose effects, had things gone amiss, would not have been beyond her power to remedy. Another golden opportunity was lost in 1945 when the war in Europe ended. Those were days when Egypt, proud of her war effort and conscious of the support she had given to the democracies, was in a mood to respond generously to generous treatment. There is every reason to believe that the 1936 Treaty could then have been replaced by an agreement, broad in its lines and based on recognition of Egypt's war-proved friendship, which would have secured Britain's vital interests in the Middle East on the soundest foundation of all—the willing co-operation of a grateful Egypt. In the event, Egyptian approaches were treated with an obvious lack of sympathy and even hostility, for which, however, the immensely pre-occupied Foreign Office was far less to blame than the British Embassy in Cairo. Britain has since paid considerably for the rebuff she then gave to her Egyptian friends. Again, during the negotiations of 1946 it was impossible to avoid the impression that the Foreign Office was treating Egypt as a slippery customer who had to be made to sign an absolutely watertight bond. This distrustful attitude was very soon noticed and resented by the Egyptian negotiators, who felt that more caution could not have been taken in dealing with a defeated enemy. Finally, there was the tragedy when Ismail Sidky Pasha returned to Cairo from London in November 1946, after having concluded a draft treaty with Mr. Bevin at last. Sidky Pasha, an old, sick, and exhausted man, but glowing with pleasure at his success, made an incautious and probably misreported statement to an Egyptian journalist as he stumbled from his aircraft late in the night. Within a few hours he was rebuked in the House of Commons (Mr. Bevin was then at Lake Success), and that was the beginning of the end of the Bevin-Sidky proposals. Yet, as this writer well knows, had Sidky Pasha been asked to modify his alleged statement before official notice was taken of it, he would have done so and all might have been well. But here again imagination was lacking.

A regrettable propensity, not now so marked as formerly, of prominent Englishmen in Egypt for associating with some of the less estimable Egyptians has not helped Britain's reputation for being concerned for the under-privileged and hostile to venality. It is deplorable that any Briton in Egypt should be intimately connected in the public mind with Egyptians who represent all that is greedy, oppressive and reactionary—the ostentatious rich and the unscrupulous exploiters. Such association transfers to British shoulders some of the serious discontent prevalent in Egypt and alienates much sympathy and respect.

A lesser source of grievance to Egyptians has been the often tasteless treatment in the British press of the Egyptian Monarch and the Egyptian Army. A good number of the stories that have appeared about both have been so sensationalist and wide of the truth that Egyptians could be forgiven for thinking that they must have been invented. Inspired attacks are a feature of Egyptian journalism, and local editors are therefore apt to imagine that they are a British practice too. However, the British press has done nothing like the damage to Anglo-Egyptian relations that the Egyptian press has tried to do. It is fortunate that the Cairo press, like the politicians, is not now taken very seriously, for it lacks sense of responsibility and proportion, knowledge of history and the outside world and, very often, decency. It is far too prone to abuse and misrepresentation, especially of motive. It is, however, only fair to recall the difference in tone towards Britain of, for example, the Indian newspapers before and after Indian independence.

### Charges of Bad Faith

**T**HIS leads us to the main lines of Egyptian attack on Britain. "Every Egyptian schoolboy knows"—or at least has been told—that Britain has broken more than sixty promises to evacuate Egypt. This is perhaps the most sedulously cultivated legend in Egypt, and like all myths it has its substratum of truth. The newspapers assure the public that Britain intends by hook or by crook to perpetuate her military occupation in order to be able to dominate Egypt and interfere in her domestic affairs. Therefore, whatever Britain may promise she will always find an excuse not to fulfil. To the extent that Britain wishes Egypt not to be a weak link in Western defence, it is of course true that she wishes to influence Egyptian affairs; and the reasons for which Britain has kept her troops in Egypt so long have been compelling, both for her and for the democratic world. Every thinking Egyptian, much as he wants to see the last foreign soldier leave his country, realizes this. Unfortunately the true import of international developments is not well understood in Egypt as a whole, nor is the fact that Egypt is the slave of her geographical position and looks like remaining so until the era of universal peace. Therefore, while British policy in Egypt has for years been dictated chiefly by the strategic requirements of the international situation, in Egypt the tendency has been to regard Anglo-Egyptian relations as something narrowly between the two countries, with no effect upon the rest of the world. Thus, among the British "excuses" cited by the Egyptian press are such as the 1914-18 war; the rise of Mussolini and the Italian threat to Ethiopia in 1934-35—which led the Wafdist Government to conclude the 1936 Treaty with Britain, a treaty then as thankfully acclaimed as an Egyptian triumph as it is now denounced as a British tyranny; the emergence of Hitler and the war of 1939-45; and even the present state of international tension. The draft treaty initialed by Mr. Bevin and Ismail Sidky Pasha in 1946 provided for the withdrawal of the British troops by September 1949. The fact that they are still in Egypt is evidence of another "excuse", another broken promise—and Korea might be on another planet!

Linked with evacuation has been the touchy question of the state of the

Egyptian armed forces. The public is told that if only Britain would let Egypt have sufficient arms the Egyptian Army would be perfectly able to keep any foreign invader at bay—at any rate for long enough to enable succour to arrive; but that, on the contrary, the British have deliberately weakened the Egyptian armed forces in order to provide themselves with another pretext for keeping their own troops in Egypt. After the experience of the Palestine campaign of 1948 and in view of other evidence of the present state of the Egyptian Army, it is hard to believe that even the most patriotic Egyptian could imagine that his troops are fit for serious war. But the prevailing ignorance of military matters produces other arguments equally fallacious and sometimes ludicrous. It is said that the great Egyptian base could be "somewhere else"; but the alternatives suggested, such as Jordan and Cyrenaica, show little comprehension of what a modern base requires in the way of water, fuel, communications, labour, and a hundred and one other essentials. Confusion between the functions of a base and a fighting area results in the assertion that the British troops should be in Persia and Turkey, "which are the true line of defence". It is also said that it is only the presence of foreign troops that attracts danger to Egypt—which is like arguing that if you have no doctor you can never be sick. One leading nationalist has urged that the best solution to the problem of Middle East defence is to fill in the Suez Canal, which nobody could then have any excuse to attack or protect; and neutrality is advocated with a blind eye to the unfortunate fact that small nations can only be neutral if big nations allow them.

#### The Sudan, Palestine and the Arab League

ANOTHER myth due less to malice than to ignorance and dislike of facing unpleasant facts is that Britain is deliberately forcing the Sudan to "separate from Egypt" and become a British colony. Also, any Sudanese who rejects the idea of Egyptian sovereignty over the Sudan must be either a traitor or a British puppet. The trouble is that Egyptians are incredibly badly informed about the Sudan, since they listen only to what pleases them; and it is common knowledge that many of the dispatches in the Cairo press, bylined from "Our Khartum Correspondent" and asserting that "every Sudanese" wants unity with his "Egyptian brethren", are written in Cairo.

The part that Palestine has played in hurting Anglo-Egyptian relations would appear still to be underestimated in Britain. The Egyptians, with the rest of the Arab world, are continually being exhorted to forgive and forget the establishment of Israel. They are urged to make peace with Israel and abandon their economic and political boycott for the reason—of all reasons to give the Arabs!—that Israel urgently needs Arab co-operation in order to achieve stability and, even, to survive. But how is imagination so lacking that Britain can expect the present Arab generation to overlook what is to them the illegal seizure of an Arab land by an alien people introduced in the first place by Britain herself and sustained thereafter by her and America? Time may bring healing: but at present there is the open wound of nearly a million homeless Palestinian Arabs, dispossessed of all they owned, rotting

in the desert around Gaza, withering on the bleak uplands of Jordan, crowded without hope in the camps of Syria and Lebanon. Yet the West keeps on nagging at Egypt to make friends with Israel! That is asking too much of human nature.

### Communism on the Offensive.

THE newest and perhaps the worst threat to Anglo-Egyptian relations is the recent rapid growth of Communist influence in Egypt, and for this the blame can fairly be laid on the shoulders of the Egyptian leaders and press, for while the police competently and relentlessly hunt down the Communists the government and press do everything to encourage Communism. Communist propaganda cleverly blends three factors into an appeal that is undoubtedly having a startling success among politically conscious Egyptians. These factors are the rapidly worsening internal state of the country, the perpetual denunciation of the British as the oppressors of Egypt and the peaceable disposition of the Egyptians. The first expresses itself in the argument that if Egypt is a democracy, then democracy is not worth fighting for; the second produces the equation that Britain equals democracy equals "imperialism" and exploitation; the third fosters the idea of neutrality and even support for the "peace-loving" Communist *bloc*. The finished product is the thesis that Egyptian support of the democracies means a continuation of the grave social injustice that now afflicts Egypt, and, into the bargain, being pushed into war on the side of the "warmongers". It must be repeated, Egyptian political leadership is directly responsible for this. It has done everything it can to denigrate the West; it has remained callously indifferent to the needs of the people; it has allowed Egypt to become the paradise of the rich and influential; and it has the self-description "democracy" always on its lips, so that the Communists have only to ask "If Egypt then is a democracy, is democracy worth preserving?"—to which the answer, for the Egyptian student and working man, is easy. A leading Egyptian writer has summed it up thus: "Egypt cannot believe in democracy as a principle of government . . . and what is the harm in a call [the Warsaw Peace Conference call] for peace even if it emanates from the Communists?" The extent to which the Egyptian press echoes this theme is ominous.

The dilemma of the Egyptian government was well illustrated during the January session of the Arab League. On the one side were the realists, Iraq, Jordan and Syria, with their clear recognition that to choose to support the Communist *bloc* was national suicide, that neutrality was an illusion: on the other side was Egypt, slave of her own slogans, feeling in her heart that wisdom dictated open solidarity with the democracies, but hesitant to say so. There is no question of blaming Egypt for wanting world peace and for seeking every path to it; but one may feel a little cynical at the way she jumped at the proposal of Communist China that Egypt should be a member of the suggested seven-power conference on Korea, a proposal that flattered Egyptian vanity and was described in Cairo as a great tribute to Egyptian statesmanship. Egyptians did not realize that it might also have been a recognition of Egypt's equivocal position in the chain of democracies.

Never in her modern history has Egypt had greater need of high-principled and courageous leadership and an enlightened and honest press, of politicians able to distinguish between right and wrong, of a government worthy of the decent masses and idealistic youth who now are such natural prey for the Communists or anybody else who promises them a fair deal. All this, of course, leads unavoidably to questioning the value of a new treaty between Britain and present-day Egypt. How can underfed Egyptian workmen and officials, exploited Egyptian peasants and frustrated Egyptian youth be expected to reject Communist promises of equality for all and land for the landless, in order to co-operate with the powers who are held responsible for what is described in Egypt as "democracy"? The course of Anglo-Egyptian relations has been like that of a ship which is sometimes badly steered and often blown off its course by the political weather; but it is heading for port. Whatever "Egypt" may aver, the Egyptian people have always been instinctively on the side of the democracies. If that instinct becomes blunted or destroyed, it will be because of failure to solve the fundamental Egyptian problem—the internal state of Egypt. Until, then, the Egyptian Administration reaches a far higher level of efficiency and honesty, until it ceases to be possible for the influential and the rich to plunder the nation, there will be growing discontent and unrest among the people. Only an extraordinary apathy now prevents the masses of the Egyptian people from rebelling against the widespread corruption and oppression from which they suffer. In Egypt, unfortunately, it has become almost second nature to blame the foreigner for domestic failures. When Egyptian merchants hoard food to sell on the black market, they can always tell the people that the scarcities are due to purchases by the British troops. When Egyptian landlords charge extortionate rents, they can say that the British are buying up all the cement to build fortifications. The present generation is even being taught that the British deliberately brought poverty, ignorance and disease to Egypt in order to weaken Egyptian resistance—one of the many crimes of "imperialism". Few are the Egyptians who will publicly own that Egypt's ills may largely be of her own creation. It is not enough, then, that "Egypt" and Britain should come to agreement on external matters such as evacuation and the future of the Sudan. It is also necessary for Egypt, with Britain's active assistance, to make a genuine effort to alleviate the misery of her people. It is necessary for her to cease the ridiculous pretence that no Egyptian can think of social reform so long as Egypt is being "denied her full rights". As the standard of administration improves, as the spread of education and the increase in material well-being make it more and more difficult for the ignorant and malicious to find foreign scapegoats, so will the policy of blame-the-foreigner have to be discarded. Then will Anglo-Egyptian relations reach the plane of real understanding and each people profit fully from the innate friendliness of the other.

# THE COMMONWEALTH AT STRASBOURG

(From a Correspondent)

## AN INVITATION TO THE DOMINIONS

THE Consultative Assembly of the Council of Europe resolved, last August, to invite the Parliaments of those sovereign oversea nations constitutionally associated with its member states to send observers to its next session. Invitations to this effect have accordingly been sent by the President of the Assembly to the Speakers and Presidents of the legislatures of Canada, Australia, New Zealand, South Africa, India, Pakistan, Ceylon, the Republic of Indonesia and the Associated States of Indo China.

The preamble to the Strasbourg resolution makes it plain that its primary purpose is to associate the nations of the British Commonwealth with the work of the Council of Europe. It may therefore be well, before discussing the details of the resolution itself, to re-examine the broader considerations which underlie it.

When Mr. Churchill revived the movement for European unity shortly after his speech at Zurich in 1946, the cry was at once raised that British participation in a European Union was incompatible with our relationship to the rest of the Commonwealth. This reaction was more instinctive than rational; and the fact that so staunch an imperialist as Mr. Leo Amery has always been a prominent supporter of the European Movement has suggested that there is no necessary incompatibility between the relationships. Objections of principle, indeed, are now seldom voiced save by the *Daily Express*\* or by government spokesmen seeking to justify Mr. Bevin's antagonism to certain aspects of the Council of Europe. Nevertheless, it remains true that, if Britain is to belong to a European as well as to the Commonwealth system, the nature of the Commonwealth must necessarily influence and in some respects limit the constitutional development of Europe.

The Commonwealth is a voluntary association of nation states united upon the basis of their independence. The extent of its unity is determined by the readiness of its members to consult each other and give each other mutual help. But the essence of their relationship lies in the sovereignty of each one of them. No member of the Commonwealth, therefore, can make an irrevocable surrender of sovereignty. To give an example, the Commonwealth does include Canada and could, theoretically, include the United States as a whole. It could not include the State of New York by itself, because that State has surrendered much of its sovereignty to the United States and so could not treat on equal terms with the other members of the Commonwealth. By the same token, if Britain were to join a European federation, then either the Commonwealth would become a European Commonwealth associated

\* The principal member of Lord Beaverbrook's group of newspapers in the United Kingdom.

with Europe as a whole, or Britain would cease to belong to the Commonwealth.

Membership of the Commonwealth, therefore, precludes Britain from joining a European federation. There is no reason, however, why we should not develop special relations with a continental federation, as we have already done with the United States; nor, alternatively, why we should not join, as full members, in a Union of sovereign European states, developing along Commonwealth lines. Such special relationships to Europe could only strengthen the Commonwealth as a whole, provided we were always careful in any conflict of interests to give the Commonwealth priority over Europe. It is only when the priorities are reversed that such special ties can weaken the Commonwealth. This happened, for instance, when, in the interests of Anglo-American relations, we accepted the conditions attached to the Washington Loan and all but undermined sterling and imperial preference as a result. The task of statesmanship, therefore, in reconciling Britain's membership of the Commonwealth with her association with Europe is to maintain the proper order of priorities. What this should be can perhaps best be illustrated by considering the relationship between the two groups in economics, defence, and culture.

### Complementary Economies

IN the economic sphere, the Commonwealth and Europe seem, at first sight, to be competitive rather than complementary. The industries of the United Kingdom and of western Europe are competitors in the Dominion and Colonial markets. Likewise the food and raw-material producers of the Dominions and Colonies and of western Europe are competitors in the United Kingdom market. This element of competition is undeniable. Yet in other and, perhaps, more important respects, the two economies are complementary. In a general view of world trade, the Commonwealth and Europe appear as companions in misfortune. Both suffer from the fact that, to maintain reasonable living standards, they have to obtain goods from the dollar area which they can neither pay for nor, for the time being, produce for themselves. This deep-seated unbalance in world trade, reflected by the 'dollar gap', has been successfully masked by drastic cuts in living standards, rigid *dirigiste* policies, and a boom in raw-material prices. The last of these phenomena may be evanescent. The other two, however, will become permanent features of both the Commonwealth and European economies, unless we can increase our resources to the point where we can either pay for the dollar goods we need or else produce them ourselves.

Certain trends in the development of the Commonwealth and of Europe suggest that this necessary expansion of their resources could be obtained by closer co-operation in economic policies. On the one hand, the countries of the Commonwealth—both self-governing and colonial—want more capital equipment in order to industrialize. Experience also suggests that as their industrialization plans go forward they will require more specialized consumer goods. On the other hand, Europe, including the United Kingdom, needs more foodstuffs and raw materials to improve the living standards of

its peoples and the productive capacity of its industries. This is particularly so since Germany and Italy have been deprived, by the descent of the Iron Curtain, of the food and raw materials which they had formerly imported from eastern Europe. Neither the Commonwealth nor western Europe can obtain its additional requirements of capital equipment and consumer goods, or of food and raw materials, from the dollar world, for the simple reason that they cannot afford the dollars. The United Kingdom, indeed, could supply much but not all the capital equipment or all the varieties of consumer goods which the Commonwealth requires. It could also absorb much but not all of their raw materials or food production. This brings us to the crux of the matter. Could western Europe provide the balance of capital equipment and consumer goods, absorbing, in return, the balance of primary products? The man-power and skill exist to achieve the necessary increased production; but they will not be brought together with the necessary materials, unless the investor, on the Continent and in the Commonwealth, is willing to come forward; and he will not do so unless he is assured of a steady market for this increased production.

The problem then is to encourage a freer flow of trade and investment between the Commonwealth and Europe, without exposing the Commonwealth producers, in the United Kingdom or overseas, to more European competition than is desired. A customs union or a free-trade area is thus excluded. A Commonwealth preferential system, however, already exists; and it should not prove very difficult to create a European preferential system. How far could these two preferential systems be made to interlock? To mould them into a single preferential area would be to sacrifice the advantages of imperial preference. There are, however, several lines of trade not subject to imperial preference in which Europe and the Commonwealth could give each other preferential treatment: while in the remaining lines each preferential area could give a secondary preference to the produce of the other.

Preferential treatment on the lines suggested above need not, of course, be limited to tariffs. It could apply just as much to matters of currency, investment, industrial integration, communications, or the modification of trade barriers other than tariffs. How far such a system of primary and secondary preferences could be made effective if developed strictly within the rules laid down by the General Agreement on Trade and Tariffs is open to question. It seems inconceivable, however, that such modification of G.A.T.T. or the Most Favoured Nation Clause as might be necessary could be regarded as an insuperable objection to the much larger aim of correcting the present unbalance in world trade. It is, indeed, only when that unbalance has been corrected that it will be possible to contemplate a return to free convertibility of currencies and to that multilateral trade which G.A.T.T. exists to encourage.

#### Mutual Defence and Common Culture

IN defence, as in economics, the interests of the Commonwealth and those of Europe are part competitive and part complementary. The wide dispersal of the Commonwealth obliges Britain to devote a high proportion of her defence expenditure to the Navy and the Air Force. For the same

reason, a high proportion of her land forces has generally to be stationed outside the European area.

The defence of the Commonwealth undoubtedly diverts a considerable part of Britain's energies from the defence of her interests in Europe. On the other hand, Europe is of such importance to the Commonwealth that, in times of crisis at least, it attracts to its defence Commonwealth forces stronger in total than the British forces diverted from Europe to Commonwealth defence.

The explanation of Europe's importance to the Commonwealth is not far to seek. In the first place, the Continent juts out like a peninsula across the main sea and air routes which link Canada and Britain to that other part of the Commonwealth—its greater part—which lies around the Indian Ocean: New Zealand, Australia, Malaya, India, Ceylon, Pakistan, the Middle East and East Africa. Once those routes are cut, the ability of the Commonwealth nations to give each other mutual support becomes gravely reduced. In the second place, the Colonial Powers of western Europe—France, Holland, Belgium, Portugal—have large interests, like Britain and more than one of the Dominions, in the stability and security of Africa and south-east Asia. Finally, Britain is still, morally and economically, the heart and centre of the Commonwealth, and, since her security is inseparable from that of Europe, the defence of Europe has become a condition of the survival of the Commonwealth as we know it. These things explain why in two world wars, originating from essentially European causes, the soldiers of the Commonwealth came over to fight and die side by side with our European allies, as the graveyards of the Continent still show.

A similar pattern can be observed in considering the cultural relationship between the Commonwealth and Europe. The British tradition in religion, philosophy, law and constitutional theory is so distinct from the continental that it has sometimes been regarded as a culture apart. Be this as it may, the British way of life, as it is practised in the white Dominions and as it has influenced the educated classes in the Asian Dominions, originates from and has been continually refreshed by the main stream of European civilization. Nor should we overlook the direct influence of the Continent upon the Commonwealth. Much of Holland still survives in South Africa, while the ties between Quebec and France are stronger than is often believed. Above all, the evolutionary development of the Commonwealth has left more instinctive loyalty and sympathy for the Old World than is to be found, for instance, in the United States.

#### Europe's Recognition of the Nature of the Commonwealth

THE broad community of interests between the Commonwealth and Europe was explicitly recognized by the Commonwealth Foreign Ministers at the Colombo Conference. It has also been fully recognized on the Continent. There the leading exponents of the European idea have all along accepted that the Commonwealth must take precedence over Europe in British policy. They have also repeatedly expressed their readiness so to shape their plans as to make it possible for Britain to participate in a European

Union without weakening her relationship with the rest of the Commonwealth. The proof of their sincerity is to be found in the fact that a predominantly federalist Assembly has so far refused to adopt proposals for uniting Europe on a federal basis. The truth is that, for military and economic reasons, the continental nations are not so much interested in co-operation with the United Kingdom by itself as in co-operation with the British Commonwealth as a whole.

Given the encouragement of the Commonwealth Governments and the sympathetic understanding of the continental leaders, the British task should be so to guide the movement for European unity that we can play our full part in it without in any way diminishing our present or potential association with the rest of the Commonwealth. In so far as that movement proceeds by co-operation between governments, as for instance, in the Committee of Ministers of the Council of Europe, the task presents no great difficulties. The Ministers seldom have to take rapid decisions; and the British representative has time and opportunity, both before and if necessary during the meetings of the Committee, to consult his Commonwealth colleagues. It is in the Consultative Assembly that matters become more difficult. The Assembly is a parliamentary body. It meets for short sessions, criticizes the decisions of governments, and formulates proposals of its own. Very large issues are raised; and the delegates have to pronounce upon them from day to day.

The Assembly is a purely consultative body. Its decisions have no legislative force. Nevertheless its influence on continental public opinion is growing and, with more active British encouragement, would continue to grow. So long, however, as Britain is the only member of the Commonwealth represented in the Assembly, our delegates have to be particularly careful not to commit themselves to any proposals which might be disapproved by the rest of the Commonwealth. This natural caution, indeed, has tended to prevent the British delegation from playing its full part in the Assembly. It seems likely to continue to do so, unless machinery can be devised to associate the Commonwealth with its work.

#### Resolution of the Assembly

THE continental delegates, in their great majority, appreciate our difficulty and have indicated that they would be prepared to see the Commonwealth nations join the Council of Europe as full members, sending delegates to the Assembly on the same basis as the other European states. The Commonwealth nations, however, are traditionally suspicious of European entanglements, and it is doubtful whether they would yet accept such a commitment. The whole problem was carefully considered by a sub-committee of the Assembly and it was finally agreed that the most practical approach would be to invite the Commonwealth Parliaments to send observers who could report to their Parliaments how the Assembly works, and, at the same time, keep the Commonwealth point of view before the British and continental delegates. This suggestion was adopted by the Assembly on August 28 last and embodied in the following resolution:

## THE ASSEMBLY,

Taking into account the Resolution adopted by the Committee on General Affairs at Strasbourg on 21st December 1949, under which:

The Committee on General Affairs unanimously expresses the wish that the President of the Assembly should get into touch with the British Government to request it to arrange unofficial conversations between representatives of the countries of the British Commonwealth and representatives of the Council of Europe with a view to determining the manner in which the Commonwealth may collaborate with the Council of Europe in the political and economic spheres,

Taking into account, likewise, the reply given to this request by the Secretary of State for Foreign Affairs of the United Kingdom, which contained in particular the following passage:

The representatives of the other Governments of the Commonwealth have stated that in their opinion there was nothing incompatible between the policy pursued by the Government of the United Kingdom with regard to Western Europe and the maintenance of the traditional links between the United Kingdom and the Commonwealth,

Having already declared that "the realization of European unity must not entail any weakening of the links at present existing between certain Members of the Council of Europe and overseas territories or countries", and that "the active participation of these countries is, on the contrary, particularly necessary as a contribution to the progress of European unity",

1. INSTRUCTS the Standing Committee, in order to facilitate these consultations, to invite the Parliaments of the overseas countries in question which are not already directly or indirectly represented in the Council of Europe to send observers to the next Session of the Consultative Assembly;
2. RELIES on the Governments of Member States to ensure the representation in the Council of Europe of the interests of such other territories or countries as are linked in some way or other with Member States of this Council.\*

The language of the resolution has suffered somewhat in translation from the French. Paragraph 1, however, is held to apply to sovereign oversea nations such as the members of the British Commonwealth. Paragraph 2 refers to Colonies and Protectorates which are considered to be already "directly or indirectly represented" in the Assembly by their Metropolitan or Mandatory Power.

It is proposed that each country invited under paragraph 1 should send two or three observers to the Assembly's next session. These observers must be members of Parliament—not civil servants who might be held to commit their governments, but politicians who could give broad guidance on their own responsibility. They would attend the private committees as well as the debates of the Assembly and would, of course, join in many of the unofficial meetings and consultations which form the background of the Assembly's work.

\* Resolution AS (2) 126 of August 28, 1950.

The delegates were of the opinion that nothing more could be done to associate the Commonwealth nations with their work at Strasbourg until the Commonwealth observers had come and seen the Assembly for themselves. There is a widespread hope, however, that some permanent form of association may suggest itself spontaneously as a result of discussion between these Commonwealth observers and the European delegates.

How far the Commonwealth nations will wish to join in the work at Strasbourg is an important but secondary issue. The main issue for Britain is that they should be present in the Assembly in some form or other. In the circumstances of today, Britain is the only Power which could give the lead for which the Continent is crying out, and on which the preservation of world peace may well depend. The Consultative Assembly is one of the more hopeful agencies through which that lead could be given. So long, however, as Britain is the only member of the Commonwealth in the Assembly, her delegates are bound to keep looking back over their shoulder to make sure that they are not getting out of step with Commonwealth opinion. But it is difficult to give a lead when you are looking over your shoulder. If, on the other hand, there were representatives of the Commonwealth at Strasbourg ready to give broad guidance, then the British delegates would feel freer to take the decisions and run the risks which leadership demands. The making of Europe might thus proceed under British leadership and in conformity with the interests of the whole Commonwealth.

# NEPAL IN TRANSITION

## THE GURKHA MONARCHY IN THE NEW ASIA

*And now I found myself on a narrow path which followed a small watercourse. I hurried onward—down, down, down. Then I had a treat such as I can never convey on paper—a moment, perhaps, the most striking and unexpected in my whole life. I got below the level of the clouds, into a burst of brilliant evening sunshine. I was facing north-west and the sun was full upon me. But what I saw! . . . The sunset sky was crimson and gold; exquisite, tranquillizing; fading away therein were plains, on which I could see many a town and city with buildings that had lofty steeples and rounded domes. Nearer beneath me lay ridge behind ridge, outline behind outline, sunlight behind shadow, gully and ravine. I saw the glitter of a noble river.*

Erewhon

ADD to Butler's fantasy the rampart of the Himalayan snows dominating the horizon with intolerable purity, and this is the scene that bursts on the traveller's eye as he reaches the summit of Chandragiri on the rough track which still forms the only approach from India to the heart of Nepal. The Valley is an elevated cup, perhaps 15 miles in diameter, rimmed by wooded hills, the rim standing well above the great gorges of the rivers Gandak and Kosi, which run much lower than the floor of the depression held up on the shoulders of the hills between them. This plot of land is drained by the holy Bhagmati river, and in it are concentrated the three cities of Katmandu, Patan and Bhatgaon, with a wealth of tradition and beauty such as perhaps no place in Asia except Peking can show. There is cultivation of the most intensive kind, all carried out with mattocks, for ploughs are almost unknown; there are untouched Asokan stupas; there is tier upon tier of richly carved pagoda shrines, a style which Chinese records show that China learnt from Nepal. There are the palaces of the King and the nobles. The temples of India are often deserted; these are alive and perfect to the last detail. It is as if one had stepped back a thousand years to find a pulsing Hinduism as it was before the Muslim invasions of India. A closer view of the three cities leaves the impression that nowhere else can the craftsmanship of the wood-worker have achieved so exquisite a balance with architectural form and natural setting.

### The People of Nepal

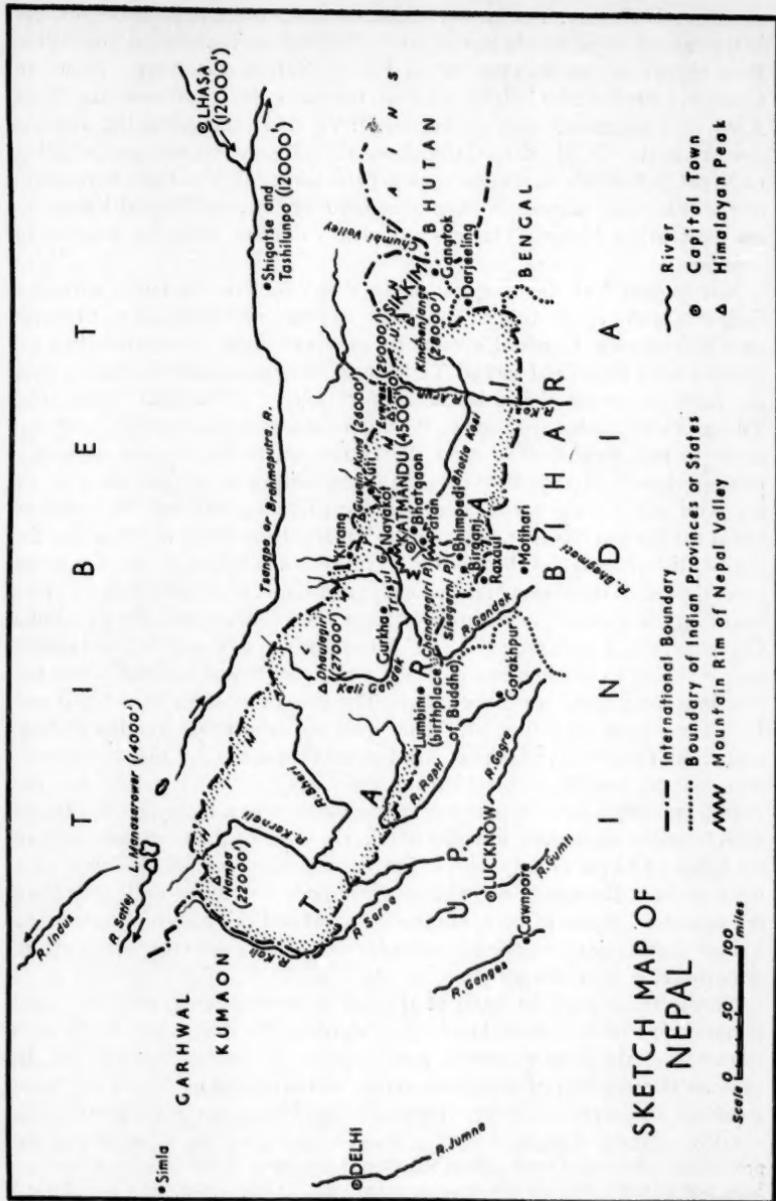
THE inhabitants of this Valley are not Gurkhas, but Newars, a race claiming to be indigenous to Nepal and distinguished for industry in agriculture and care in craftsmanship. In appearance the Newar is closer to the Indian population of Bihar and North Bengal than to the stocky Mongolian habit of the Gurkha mountaineer. Nepal indeed has known much blending; just as her shrines represent an overlap of Hinduism with Buddhism, so her races merge and melt into each other. In a sense she is the meeting-place of Indian with Chinese inspirations. But within the country

it is possible to distinguish broadly between three elements of the population, divided by geographical lines. These are the Newars of the central valley, some half-million in number; the Gurkhas of the mountains, about 3 million; and the mixed people of the low-lying Tarai along the Indian frontier, about 2 million. The Tarai is swampy and fever-ridden, a belt of tropical forest still the haunt of the rhinoceros and tiger, and famous only in history as holding the birthplace of Gautama Buddha at Lumbini (now corrupted to Rummindévi). Its people closely resemble their neighbours in India in physique and aptitude. It is the Gurkhas of the highlands, stout, hardy, laughter-loving, who supply what is perhaps the finest natural soldiery in the world. In World War I 200,000 of them were recruited; their ashes strew the plains of Flanders and Mesopotamia, the hills of Gallipoli and Judaea. In World War II, again, they came in thousands to uphold the Allied cause in the deserts of North Africa and in the Burma forests. Some measure of their prowess is recorded in the grant of no less than ten Victoria Crosses in the last war to the men of the Gurkha Brigade. At the time of the transfer of power in the sub-continent nearly half the strength of this Brigade (in peace-time 20 battalions) was enlisted as imperial troops under the British Government, the rest remaining in the Indian Army under the new India. The Gurkhas now serving Britain form the core of the forces engaged in the pacification of Malaya, a continuing link in Britain's century-old friendship with Nepal.

The link forged by the Gurkhas did not imply any degree of subordination of Nepal to the British polity in India. During the period of British government, Nepal, a Hindu State, was never an "Indian State" as that term came to be used, and her independence was affirmed and recognized both by treaty and by protocol. There was an exchange of Legations—now Embassies—between London and Katmandu, and agreements regulating commerce and extradition on a mutual basis of equality had long been in force. Between Nepal and British India there existed no direct diplomatic nexus save close and cordial relations of a personal nature between the Ruler of Nepal (the Maharaja-Prime-Minister) and the Viceroy of the time; but such was the effect of a long and fruitful understanding that questions of mutual embarrassment were scarcely known along the 500-mile-long frontier between India and Nepal. In recent years the only occasion of difficulty on this frontier was in 1942, when, under Mahatma Gandhi's leadership, the Indian Congress for ten days cut communications with Nepal as part of their campaign designed in that year to break up the Allied war effort, based on India, against Japan. With the Nepal Government's aid this block was soon removed, and the Gurkhas enabled to play their full part in the conquest of Burma from the Japanese.

#### The Government of Nepal

NO appraisement of the present, or forecast of the future, can be begun in Nepal without an understanding of the method of government evolved in an isolated territory set down in the embrace of the world's greatest mountains and interposed between the Indian and the Chinese



SKETCH MAP OF  
NEPAL

Scale 0 50 100 miles

International Boundary

Boundary of Indian Provinces or States  
Mountain Rim of Nepal Valley

www.MountainRimofNepalValley

111

theatres of influence. The history of Hindu States is apt to be nebulous, but in the case of Nepal Hindu legend can be checked against Chinese chronicles. Real history begins in 1769, when Prithvi Narain, the Rajput Prince of Gurkha, a town in the hills to the west, overcame Jaya Prakasha, the Malla King of Katmandu, with fearful slaughter, and established the Gurkha dynasty in the Valley. King Tribhubana Bir Vikram Sah, the present King of Nepal, is Prithvi's direct descendant. (The name Sah is a Hindu corruption of the title Shah, alleged to have been bestowed by the Mughal Emperors on the Gurkha Kings.) This dynasty claims descent from the Rajputs of Udaipur.

Not content with the conquest of the Valley the Gurkha Kings extended their rule along the Himalayas to the east to absorb Sikkim, and to the west over Kumaon and Garhwal, even as far as where Simla now stands. In 1790 they invaded Tibet, and sacked Tashilunpo, the seat of the Panchen Lama, the most important shrine in the country after the Potala at Lhasa. The Tibetan Government appealed to Peking for aid, and the Manchus, only too ready to cast their shadow over the Himalayan States, reacted with surprising vigour. In 1792 they invaded Nepal with a large Chinese army by the Kuti and Kirong passes, and after hard fighting induced the Nepalese to sue for peace at Nayakot, only one day's march from the Valley rim. Not for the last time Nepal had the wisdom to make peace before an invader could enter the sacred omphalos of the country; and China withdrew. Twenty years later Gurkha encroachments brought Nepal into conflict with the East India Company, and it took the two years' hard fighting of 1814-16 before Ochterlony was able to obtain terms of peace, again sought and granted before the invading force could reach the capital. The sites of what are now Simla and Darjeeling were given up, and Nepal assumed something like her present shape. But two events of import now figured on the scroll. China had shown that she was capable of reaching out even beyond the Himalaya, and the British, realizing the magnificence of the Gurkha as a fighting man, began with Nepalese agreement to enlist him in the army of the Company. One of the terms of Nepal's treaty with China was the quinquennial despatch of a mission from Katmandu to Peking, a ceremony continued until the fall of the Manchu Empire in 1912. On the 1792 war and this mission China based a claim to suzerainty over Nepal, and Chinese history shows that such a claim, once made, is never forgotten.

During these wars the hand of the Sah dynasty faltered, and the Nepal Kings came to rely more and more on a Mayor of the Palace, able by his own valour to establish an autocratic power against all faction and intrigue. In 1846 an interregnum of blood and terror was crowned by one of the most appalling massacres in history.\* Jang Bahadur, forerunner of the present line

\* Known as the Massacre of the Kot. Tempers were lost in the course of a judicial proceeding before the Queen against the alleged murderer of the Queen's lover. The King fled in terror, but the Queen stood her ground. At least 500 notables were hacked to pieces with swords and *kukris*. When the King was persuaded to return, he had to wade ankle-deep through blood, which poured in streams from beneath the gates closed on the shambles within. Horrors not unlike this took place as a result of the 1947 partition of the Indian continent.

of hereditary Prime Ministers, rose to office. The family has come to be known as the Rana family, and, with the King's family, claims descent from the heroes of Rajasthan. Since Jang Bahadur's time all power has been concentrated in the Prime Minister's hands, the King becoming a religious figure-head, and being known as the Maharajadhiraj. The Prime Minister assumed the title of Maharaja.

The manner in which this office has come to descend was established by Jang Bahadur and is describable as descent through the eldest agnate. It is a system which figures in theory rather than practice at certain periods of Muslim history, and is intended to secure that at no time shall governing power be left in the hands of the immature and inexperienced. The descent is in order of birth from one brother or cousin to another until that generation is exhausted, when succession passes to the earliest-born son of the males of the generation which has passed. The descent of office in this generation in turn goes by priority of birth, and it follows that it is not necessarily the eldest son of the eldest brother who succeeds. There are, of course, defects in such an argument, for age is no guarantee of aptitude for power. In Nepal these have been cured by methods familiar to oriental history, and there is no denial that the system has produced more than one great ruler. Among such were Jang Bahadur himself (1846-77), Chandra Shamsher (Maharaja from 1901 and throughout World War I), and Judha Shamsher (Maharaja during World War II). Jang Bahadur founded the Nepal we know; on a visit to England in 1850 he greatly impressed both Queen Victoria and the Duke of Wellington. It was the great hearts of Chandra and Judha, never failing in the worst hour, which enabled the Gurkhas to strengthen the Commonwealth in so many fields in both world wars. It is not too much to believe that their presence more than once turned the scale.

Judha was the last of his generation. After the war was won he determined to follow Hindu tradition, and seek peace in a life of religious seclusion. There in his hermitage let him rest, but his memorial remains. He was followed by his nephew Padma, then after two years by another nephew, the present Maharaja Mohan, the eldest son of the great Chandra.

The present King Tribhubana succeeded as a child in 1911 and is now aged forty-four. The succession in the royal family is by primogeniture.

### Nepal in 1945

SO much is needed to show the meaning of the Nepalese State, as it had developed up to the time of the British transfer of power in the sub-continent in 1947. For 100 years Nepal gave India a peaceful frontier, and a supply of soldiers second to none. India under British rule gave Nepal a sense of security against possible aggression from the north. She also granted Nepal easy terms of transit for her trade from the ports across India. In time of need Nepal never failed Britain, and it was understood that Britain would not fail Nepal. An Englishman, asked what was his Government's policy towards Nepal, could reply "We have no policy: we have only friendship."

But Nepal was jealous of her independence and isolation. There was respect for the Nepalese tradition that the visits of strangers should be discouraged, and the British Minister, for instance, was not allowed to travel beyond the narrow limits of the Valley. In only one way, at the time of the transfer of power in India, had the Nepal Valley been opened to the world in the manner of the twentieth century: it had been made possible in case of emergency for aircraft to land on a strip near Katmandu. The fields were still hoed and not ploughed; carriage of goods was on the backs of men and animals; and, save for the landaus of the great and a few motor-cars which had been lifted bodily across the passes, there was no wheeled transport in the valley. On the material side the mechanical inventions introduced to the three central cities were limited to what Edward Grey once defined as the ideal beyond which civilized man should not have moved—plumbing and electric light. Yet there was not only the impression but the reality of a civilization enduring, deep and refined, the very essence of a Hinduism which had grown through the centuries, untouched by other ways of life.

#### Transfer of Power

THE new India which arose on the withdrawal of British authority in August 1947 was slow to clarify its relations with Nepal. But there were early signs that the Foreign Ministry under Mr. Nehru was inclined to look askance at the system of hereditary government which had lasted for the century since Jang Bahadur's assumption of power in 1846. There was talk of friendly advice to proceed towards democratization, and a special envoy proceeded from India to the Nepalese capital for discussions. Nor was it only the régime in Nepal which fell to be discussed: for Nepal, sealed from the world with her only practicable communications through India, is, like Afghanistan, dependent for commerce on the goodwill of her neighbour in the sub-continent. India is in a position to block the passage of her trade. There was also the need for a basis of confidence on which the recruitment and service of Gurkhas might proceed as smoothly as in the past, to both the Indian and the British forces. Lastly, it remained a cardinal principle for India, as for Britain before her—a principle now reinforced by the invasion of Tibet by Communist China—that India and Nepal should stand together in indissoluble partnership against any threat from beyond the Himalayas.

In due course India appointed her Ambassador in Katmandu. (The British Legation remained, the status of H.M. mission being raised to that of an Embassy.) The Maharaja let it be known publicly that he was ready to discuss with India, in frank and friendly fashion, the institution of measures of democratic reform consonant with the traditions of Nepal and not beyond the State's capacity to absorb in the body politic. Discussions were protracted and not unmarked with acerbity, and it was not until July 1950 that apparent agreement was reached. In that month there emerged a Treaty of Peace and Friendship, by which each party accorded its recognition of the complete sovereignty and independence of the other. This was accompanied by a statement from Mr. Nehru to the effect that Nepal would receive military support, should she be invaded over the passes from Tibet, and it was

followed in October by a liberal Treaty of Trade and Commerce, by which India exempted from Indian customs duty all goods reaching Indian ports for onward despatch to Nepal. Finally, India undertook to sponsor Nepal for membership of the United Nations. It seemed that an alliance had been cemented between two Indian States, one free through the ages, the other great and ancient but with an independence newly won.

The ink was scarcely dry on all these papers when, on November 6, 1950, it was reported that King Tribhubana had sought refuge in the Indian Embassy at Katmandu, alleging apprehension for his safety at the hands of the Prime Minister and the Ranas generally, who could not brook his popular sympathies. A few hours later, the Maharaja consenting, the King was flown to Delhi in an aircraft specially sent by the Indian Government, and was personally met on the airfield by Mr. Nehru. The Nepal Government announced the King's deposition, together with that of the Crown Prince, and the accession of the Crown Prince's infant son, Gyannandra. Agreeing in time with these events there broke out a rebellion in the Tarai, sponsored by the Nepal National Congress, a body in relations with the Congress party of India. The rebels, some of whom were based on India, seized Birganj, the border town of Nepal on the main road of communication between the capital and Raxaul. Outbreaks occurred also at other places along the extended frontier with India. In the Valley there was no disturbance.

The Maharaja put his forces in motion, and by November 28 had succeeded in capturing Birganj and bringing the immediate outbreak under control. But a sense of unrest remained and, apart from evidence that India was not prepared to forgo the occasion for bringing pressure on Nepal to advance at least some way towards the rebels' demands, the Prime Minister himself had the statesmanship to grasp that repression alone did not provide an answer. He had, moreover, for some time been considering a scheme of reform of the executive council and the establishment of an independent judiciary. He therefore willingly entered into consultations, sending his brother Kaisar and his son Bijaya to Delhi with professions of readiness to consider any friendly advice India might have to offer. In so doing he was only following the principle established by former Nepalese rulers, when in their wars they displayed a readiness to negotiate before the intruder could reach the Holy Valley.

Two issues arose, the first over recognition of the infant king, the other in respect of reform of the constitutional structure of Nepal. Delhi demanded the return of King Tribhubana, an executive council with a popular majority, and the setting-up of a constituent assembly based on universal suffrage. Katmandu at first stood firm on the dynastic issue, but was ready to adopt a broad view of the constitutional question. Sporadic disorder broke out again in the Tarai, and there was an impression that it would cease only on conclusion of an agreement. On January 8, 1951, the Maharaja gave way on the dynastic issue and proclaimed the readiness of his Government to reinstate King Tribhubana. He announced the establishment of a Cabinet of fourteen Ministers (now reduced to ten), half of whom should be representative of popular elements, together with plans to arrange for the meeting of

a constituent assembly not later than 1952 on a basis of adult suffrage. Lastly he proposed to set up a separate judiciary, to publish a budget, and to grant an amnesty to the rebels other than those guilty of violence, and freedom to form political parties. On this Mr. Nehru called on the Nepalese people to abstain from violence.

After a month's delay the King has returned by air to Katmandu. Open disorder has died away, and there has been a split between the extreme and the more moderate elements in the Congress party. But in a country with such a history a spark lighted and damped down will smoulder on, and in parts of Nepal close to India something like a parallel administration has been set up by Congress elements and others. How stands the matter then between India and Nepal?

Superficially it seems that Indian policy has been directed to achieve in Nepal something not unlike its success in the assimilation and absorption in India of the Indian States. The advance of China into Tibet would appear to have persuaded Mr. Nehru to pay little more than lip-service to the cherished independence of Nepal. There has been avowed interference on the dynastic issue, and it can hardly be claimed that the Nepal rebels in the Tarai acted altogether without the connivance of Indian authority. The Indian press at least has been vociferous in their support.

On a short and on a long view it is simple to state what should be the policy of India, and of the Commonwealth, in Nepal. It is first that Nepal should be an ally faithful to the end in the defence of the Himalayan bastion against Communist or other inroad, and secondly that she should continue freely to afford facilities to India and to the Commonwealth to enlist her incomparable soldiers. It is unlikely that this end will be secured merely by subversion of an order which, archaic though it be, has provided the conditions needed through the two greatest wars in history.

But is the Rana régime really so out of tune with what the manlier of the people wish? The Maharaja Mohan has shown the pliancy of a statesmanship learnt from the annals of his country. He has maintained his dignity. Would not the new India do well to work to preserve what is noble in a form of Hindu polity which has come unbroken down the ages? The cheerful faces of the Gurkha troops show clearly enough that in their homes they live under no sort of tyranny: the promoters of disorder lurk rather in the labyrinthine alleys and by-ways haunted by the spirit of those Tantric rites so evident in all the Valley shrines. There is something daemonic in this Hinduism, something immanent, a spirit which can show an evil face, but in purifying hands is capable of exaltation. India should be the first to recognize that spirit, to fear its excesses in blood and sacrifice, to know how to sublimate it to higher ends. Nor surely should India underrate a line of warrior statesmen, tracing descent from those heroes of Chitor, a thousand of whose women, rather than fall into the hands of the Muslim conqueror, immolated themselves in the flames of the fortress, as their men sallied out to die beyond the walls.

The genius of Hinduism is not to be found in patterns of conformity: India has enough on her hands elsewhere to suggest to her the advantages of a genuine respect for what is living in the long traditions of her Hindu neighbour to the north.

# THE CAPE COLOURED FRANCHISE

## MR. HAVENGA'S AGREEMENT WITH DR. MALAN

ON October 11 last year there was published in the press an agreement between the two government leaders, Dr. Malan and Mr. Havenga, that a Bill would be introduced during the coming session providing for the separate representation of the Cape Coloured electorate in the House of Assembly, the Senate and the Cape Provincial Council. They further recorded their conviction that this arrangement\*

will in no way constitute a reduction of the existing political rights of the Coloured people and that it will also not conflict with the provisions of Sections 35 and 152 of the South Africa Act. In this connexion the intended extension of the rights and privileges of the Coloured people such as the introduction of an elected Coloured Representative Council, on which appointed representatives from the Northern Provinces would also serve, and of a special sub-department for the promotion of Coloured matters as well as the representation in the Senate where the Coloureds have hitherto been unrepresented, will be borne in mind.

This agreement marks the end of a long-standing difference between the two leaders during which Mr. Havenga declined to give his support to Dr. Malan's original plans for removing the Cape Coloured voters from the common roll and placing them on a separate roll, but it may be remarked that Mr. Havenga's acquiescence in this present plan comes at a time when the Prime Minister can obtain a majority† in the Assembly without his support, owing to the addition, after the elections in South-West Africa, of six members to the Government benches. The proposal has stirred the Coloured people to bitter resentment and the Bill will be sternly opposed by the United Party. If it becomes law the effect upon the future of race relations in this country and upon the views entertained about them in the outside world will be far-reaching. It is appropriate therefore to look at the historical background.

### History of the Coloured People

EVEN at the present day, when much attention is given to African colour problems at UN and elsewhere, a number of people are still under the impression that there are but two non-European groups in the Union, namely the Indians and the Natives or Africans. Indeed, all non-Whites are for convenience frequently referred to as "coloured", a term that in South Africa we reserve for a third group, the Cape Coloured, who are markedly

\* The proposed "arrangements" were published in some detail but are here omitted to save space, since the draft Bill will doubtless become available before publication of this article.

† A bare majority only: there is no question of the Government's being able to obtain the two-thirds majority called for by Section 35 of the South Africa Act.

different from the Indians and Natives both in their origin and in their relations with the Whites. They are a people of mixed blood: the original Hottentots and Bushmen, the slaves from East and West Africa, from Madagascar and Asia, the settlers from Europe, have all contributed to their ancestry. Developing as they have in close, often in intimate proximity to the Whites, they have long since thrown off the varied and somewhat barbaric influences of their past and have assimilated the customs, the religion\* and the languages of the Europeans. The stamp of that past, however, still marks their skins and their features with its own diversity. Some can be distinguished from Europeans by their swarthiness alone; many have the regular features, the black wavy hair, and the lustrous eyes of the Asiatic; others still, with their curly mops of hair, their flat noses and their dark skins, come near to the pure negro type. By appearances alone, it is hard to tell where Coloured merges into White at the one end and into African at the other, but the numbers at the extremities are relatively small, so that when we speak of the Coloured, we know that we are referring to close on a million people, the vast majority of whom live in the Cape Province, mostly in the urban areas. As to the condition of their lives, it is hard to generalize. Amongst themselves they differ widely—is it not so of every community?—both in intelligence and in moral fibre; they do not share equally either the blessings of life or its evils. But for the most part they are poor, many degradingly so; nor is it easy to dispute that it is the colour of their skins rather than any innate and ineradicable lack of capacity which stands as the principal barrier against their betterment. Some people say that they lack the qualities which make for moral and intellectual growth, and that their will to succeed and to master circumstance is enfeebled by their mixed blood; of this there is no proof, but it is certainly true that they are held down by the hand of colour prejudice, so that the higher aspirations are still-born within them. Custom excludes them utterly from the higher places in our social and economic life, and they are now forbidden by law to marry Europeans.† None the less their lot in the Cape is much better than that of the African, particularly with respect to educational facilities; they do not carry passes; there is a large artisan class belonging to European trade unions; and lastly, they have a limited franchise on the common roll, and can claim therefore fellow citizenship with the Whites. It may be said that, until the coming to power of the present Government, discrimination against them was founded upon custom rather than upon legislative enactment. The barriers to full equality, hard to surmount though they have been, were social rather than legal, and this had been so for nearly a hundred years. In the last half of the nineteenth century, when slavery was abolished and the Cape slaves emancipated, the implications of their release were accepted in a liberal spirit by Dutch and English settlers alike. Former slaves became at a stroke citizens, and when, in 1853, a representative constitution was conferred upon the

\* There is a small Malay community (some 27,000) at the Cape which preserves its own customs and practises Mahometanism.

† By the Mixed Marriages Act of 1949; part of the *Apartheid* policy of the Nationalist Government.

Colony, the franchise was shared by European and Coloured on an equal footing: indeed the property qualification—manhood suffrage had yet to come—was deliberately set at a low level for the House of Assembly to ensure that the right to vote was not empty for the Coloured peoples. "It is the earnest desire of Her Majesty's Government", said the Colonial Secretary, "that all her subjects at the Cape without distinction of class or colour should be united by one bond of loyalty and common interest and we believe that the exercise of political rights by all alike will prove one of the best methods of attaining this object." The granting of responsible government in 1872 did not materially alter the position, though a significant twist was given to policy during the latter part of the century as a result of considerable additions to the African population through the incorporation of British Kaffraria and the Transkeian territories. Few of these Africans could claim to be "civilized", and when the franchise question arose, though the prevailing liberal attitude was maintained, it now found expression in the phrase "equal rights for every *civilized man*". The economic qualification was raised and a simple education test was added; a voter had to be able to sign his name and write his address and occupation. In practice this discriminated against the relatively poorer and more illiterate black man in favour of the Coloured.

It is only proper to add that, in those days, the Coloured made little use of the political rights they so value today, but this is perhaps to be set down rather to the relatively happy conditions they then enjoyed than to a lack of political consciousness. The vote is after all not an end in itself but a means to an end, and the urge to exercise it is strongest when it can be used to achieve advantage or stave off evil.

### The Voortrekker Tradition

WHILE race relations were being developed along these lines in the Cape a very different tradition had come into being in the North. The Great Trek, it will be remembered, was in no small degree provoked by the changed attitude towards the Coloured which followed the abolition of slavery, and neither the Voortrekkers nor their descendants would render even lip service to the doctrine of equal rights. They held on the contrary that such a doctrine was against the laws of God, who had decreed that some should rule and others should serve: indeed this inequality "in Church and State" was embodied in the Transvaal Constitution of 1852. This, the Northern tradition, became the basis of policy in the two Boer republics, and moreover took possession of a large number of British and other immigrants. It determined the franchise question which was given final\* shape after the granting of responsible government (1906, 1907): all European men could vote, all non-Europeans were excluded. Meanwhile, in Natal, something of a middle course was being followed; tribal Africans and Asiatics were denied the franchise but Coloured men having the necessary economic qualifications stood on an equal footing with Europeans. The number of Coloured voters in Natal was, however, so small that, when the clash between the Cape and

\* Final so far as non-Europeans were concerned; for changes in the European franchise see footnote, p. 139.

the North came at the National Convention, no serious attempt was made to preserve their rights.

The debates at the Convention (1909), and subsequently in the Colonial Parliaments, which laid the foundation of Union, provide valuable, in fact indispensable material for a proper understanding of present-day non-European policy. The deep cleavage between the Cape and the Northern traditions which was then revealed, though it has since to some extent lost its geographical character, is still discernible in the two prevailing schools of thought. Then as now the two schools were championed with a sincerity which could only be the outcome of a deep conviction. It was in no mere spirit of oppression that the Northerners deplored the equal-rights principle, nor were those who defended it moved only by humanity and consideration for the interests of the non-Europeans. Both were convinced that true statesmanship, as well as right and justice, was on their side. The Northerners saw in the Cape outlook an ultimate threat not only to the supremacy of the Whites but to the Christian civilization of which they deemed themselves the custodians. Memories of their own struggle with the savage African were perhaps too fresh in their minds for them to be much affected by the argument that by permitting the Blacks and the Coloured some participation in European political institutions they would, in the course of time, accept European standards, and, enlightened by European example, become friends and supporters of their doctrines and way of life.

#### The Entrenched Clauses

SO keen was the conflict that in all probability no compromise would have been reached if the urge to Union had been less strong and all-pervading. So compromise they did on terms that are now embodied in the Act of Union. It was agreed that the North and Natal should go their own ways. But the Cape franchise was specially protected in these terms:

Sec. 35 (1) Parliament may by law prescribe the qualifications which shall be necessary to entitle persons to vote at the election of members of the House of Assembly, but no such law shall disqualify any person in the province of the Cape of Good Hope who, under the laws existing in the Colony of the Cape of Good Hope at the establishment of the Union, is or may become capable of being registered as a voter from being so registered in the province of the Cape of Good Hope by reason of his race or colour only, unless the Bill be passed by both Houses of Parliament sitting together, and at the third reading be agreed to by not less than two-thirds of the total number of members of both Houses. A Bill so passed at such joint sitting shall be taken to have been duly passed by both Houses of Parliament.

This section was itself safeguarded against repeal or modification save by means of the same majority in Parliament (sec. 152).

The Cape members had gained something, but they were disappointed: their principles were constitutionally assailable and they knew the temper and disposition of their opponents. They may perhaps have drawn some comfort from the reflection that, if their own successors remained faithful, a two-thirds majority was difficult to obtain; but the hope of preserving the

existing status indefinitely must have seemed slender, that of extending the Cape franchise to the other provinces still more remote.

But before many years had passed, although their fears about the Native franchise were realized, their hopes regarding the position of the Coloured were revived. As politics under the new constitution took shape it became clear that the trend of Native policy would follow the Northern rather than the Cape tradition. General Hertzog formed the Nationalist Party, dedicated to the principle of segregation; and in 1936, after the Nationalist and South African parties had fused into the United Party, this principle was given form in a group of measures, one of which provided for the removal of the Cape Natives from the common roll in exchange for a new franchise on a separate roll enabling them to elect three European representatives to the House of Assembly; in addition, Natives throughout the Union obtained representation in the Senate. The required two-thirds majority was obtained.

But—and the qualification is of the greatest importance—while the North had triumphed on the “Native” front, it seemed that for the Coloured people the Cape had been gaining ground. As early as 1925 General Hertzog had perceived what had been somewhat obscured at the time of Union, that the Coloured people, with their different origins, their long and close association with the Whites, and above all their relatively small numbers, might, without endangering European hegemony, be classed apart and treated differently from the Native millions scarcely emerging from savagery and still living for the most part under tribal institutions and customs. Finally, was there not something to be gained by keeping the Coloured on the European side of the fence? These considerations led General Hertzog to advocate not only the retention of the Cape Coloured franchise but its extension to the other provinces.

“It is high time”, he said in 1925, “that his right to vote in Parliamentary elections be admitted by the Northern provinces, and to deny him this right would be rank injustice.” And in 1929:

It was always clear to me that if we want to do justice to the Coloured person, we shall have to include him among the Whites, industrially, economically, and politically . . . it is clear to me that it was one of the most foolish attitudes the Whites could adopt to drive the Coloured people to the enemies of the European—and that will happen if we repel him—to allow him eventually to come to rest in the arms of the Native.

In those days Dr. Malan and Mr. Havenga were staunch followers of General Hertzog; they shared his views and supported his policy, so that, so far as the Cape Coloured were concerned, there seemed to be unanimity throughout the country. Dr. Malan even tried to extend the vote to Coloured women,\* and although this came to nothing, it could be said that the existing franchise enjoyed not only the qualified safeguards of the constitution but the even surer protection of widespread public opinion founded upon a conviction of its wisdom from the European point of view.

\* In 1930 European women were enfranchised and in the following year the economic and education tests were removed for Europeans. The basis of the Coloured franchise, however, remained unchanged.

But disappointment was in store, and the first intimation of it came after 1934 when Dr. Malan, disgruntled with General Hertzog's concessions about a republic (which made fusion with General Smuts's South African Party possible) and his too friendly attitude towards the British, left him and formed the Purified National Party. Among the sad consequences of this quarrel was the change of heart it wrought in Dr. Malan about the Coloured people, which he proclaimed openly a few years later. Mr. Havenga on the other hand remained, through the years, almost fanatically faithful to the Hertzog tradition—until today when he too must face the charge of inconstancy to his former principles.

### Legal and Constitutional Issues

WHEN the Bill is debated, three issues will confront the Union Parliament. There is first of all the plain question (about which Dr. Malan and Mr. Havenga have already expressed their conviction as above) whether the placing of Coloured voters on a separate roll will constitute a reduction of their existing political rights. This legal question can be more correctly put by asking whether this will "disqualify" them from being registered voters under section 35 of the South Africa Act; in other words, will a separate register satisfy the law? Only the courts can decide,\* but it may be permissible for one who does not share the conviction of the government leaders to suggest that the legislators of 1910 had no thought of separate registers and when they said "the register" they meant "the register" that the Coloured were to share with Europeans.

The second question is one of constitutional law.† In terms of the Colonial Laws Validity Act, 1865, legislation of a colonial Parliament repugnant to the provisions of an Act of Parliament of the United Kingdom extending to the Colony is void to the extent of such repugnancy. The South Africa Act is a British Act. Thus until the passing of the Statute of Westminster no constitutional lawyer would have disputed that the two-thirds majority requirement governed the Coloured franchise, for it was plain beyond doubt that any law at variance with sections 35 and 152 would be beyond the powers of the Union Parliament and would be so declared by the courts. In 1931, however, the Statute of Westminster expressly removed the restrictions imposed by the Colonial Laws Validity Act and the view that thenceforward the Union Parliament became a sovereign body in the English sense of that term is supported by distinguished legal opinion including that of the law advisers to the Union Government.‡ If this is correct, even sections 35 and 152 of the South Africa Act can be altered or repealed by a bare parliamentary majority and the "entrenchment" of the Coloured franchise will be of no avail. A contrary view has, however, been expressed by other constitutional

\* There is a decision of a superior court of first instance against the Government view: *Ndlwana v. Hofmeyr* N.O. 1937 C.P.D.

† It does not of course arise if Dr. Malan and Mr. Havenga are correct about the first question: but it is certain to be debated.

‡ And by certain dicta of Stratford A.C.J. in the Appeal Court in *Ndlwana v. Hofmeyr* N.O. 1937 A.D.

lawyers. They say shortly that the English doctrine of the complete and unfettered sovereignty of Parliament has no application to South Africa, because, whereas the British Constitution, of which this doctrine is a part, evolved over centuries under the moulding hand of precedent, South Africa had no constitution at all until the passing of the South Africa Act, which is thus the fountain-head from which alone springs the legislative authority of Parliament. It follows, so the argument runs, that if that Act itself lays down limits—in this instance a procedure by which certain legislation must be passed—the limits must be observed.

### Pledges and their Fulfilment

THESE legal and constitutional questions are important, very much so, but they scarcely touch the future of race relations so nearly as the moral question. Whether it is legally possible or not to sweep away or alter the Coloured franchise by a bare parliamentary majority, the question remains whether, in the light of all that has gone before, it will be just to do so. It may of course be asked, Has the past any bearing upon the present? Have the attitudes of governments, the policies of parties, the promises of leaders any binding effect? If these questions provide an argument, then it must seem that under the parliamentary system in a democracy no moral obligation can ever arise between one group of persons and another, for by what other means can moral obligations be created? A sorry conclusion, the more so when we are dealing with a minority that in no circumstances can aspire to power, and which, if it cannot place faith in promises, may justly repudiate a system that affords them no security whatever. What else was the South Africa Act but a pact between the four colonies and, with respect to their vote, a pact between the Europeans and the Coloured people of the Cape? From that commencement until the last few years they have been led to believe by every authoritative statement, by every circumstance by which belief can be engendered, that this pact, this promise, would be honoured. Evidences of this abound in the pages of Hansard and in the public speeches of leaders, and of these no more striking instance can be chosen than the amendment proposed by General Smuts and accepted by the whole House, when the Union Parliament was formally requesting the British Parliament to pass the Statute of Westminster, that "the proposed legislation will in no way derogate from the entrenched provisions of the South Africa Act".

"Let us repeat here now", said General Hertzog, "as man to man that it is our view that the protection of Section 152 cannot be taken away." In this firm attitude he lived and died, so that, when the first overt threat to the Coloured voters came with Dr. Malan's 1938 election manifesto, he replied to it in terms of scornful reproach. In particular he reminded Dr. Malan that his political segregation of the Coloured was "in direct conflict with the undertaking given to them when their votes were needed for the application of segregation against the Natives. What falsity and infidelity."

It is fitting to conclude with a quotation from a recently published

pamphlet for which everyone interested in this subject should be grateful and to which the writer of this article is greatly indebted.\*

Whatever the final word may be on the legal question, there seems no doubt that to override the entrenched clauses would be to ignore the historic nature of the South African constitution as a compact between autonomous communities, to destroy public confidence in the efficacy of political guarantees, to invite the enquiry whether the Union is sustained by anything which is durable, and to create a precedent which may have the most far-reaching and unexpected sequels.

\* *The Cape Coloured Franchise*, by L. M. Thompson, published by the South African Institute of Race Relations, P.O. Box 97, Johannesburg.

South Africa,  
February, 1951

*The Editor is grateful to the Editor of The Times for permission to reprint the following summary, which was telegraphed by his Cape Town correspondent on Feb. 12:*

The Representation of Non-Europeans Bill . . . provides that separate voting lists of coloured and white voters shall be drawn up, the qualifications for coloured voters remaining as now in force. The coloured voters of Cape Province and Natal will vote for four special representatives in the House of Assembly—who shall be white. These members will have all the rights and duties of other members, except that they will not take part in elections for senators.

Coloured voters in Cape Province will also vote for two special representatives in the Cape Provincial Council, who may be either white or coloured. Coloured people will be represented in the Senate by one senator—who shall be white—nominated by the Governor General for his knowledge of the reasonable wants of non-Europeans.

The Bill provides for a Coloured Affairs Council, consisting of eight coloured members elected by coloured voters and three coloured members nominated to represent Natal, the Orange Free State, and the Transvaal respectively. The chairman of the council will be a commissioner for coloured affairs, appointed by the Government as head of a sub-department for coloured affairs in the Department of the Interior. He will have a casting but not a deliberate vote in the council. Three European officials representing the Departments of Welfare and Labour and the Cape Provincial administration will attend meetings of the council, and may speak but not vote. The functions of this board will be to advise the Government on matters affecting the coloured population, to act as an intermediary and a means of consultation between the Government and coloured people and to carry out any statutory or administrative functions assigned to it by the Governor General.

A surprise in the Bill is the inclusion of the coloured voters in Natal, who number only some 1,200 and under the new arrangements will form one constituency with the coloured voters in eastern Cape Province. As there is no provision for their representation in the Natal Provincial Council, they will presumably lose provincial representation altogether. It is not known when the Bill will be introduced.

# AMERICA CLEARS THE DECKS

## RESOLUTION TO RESIST WORLD COMMUNISM

AMERICAN public opinion, and American leadership, have been badly buffeted by the events of the last six months. Out of all the confusion and uncertainty a few firm indications are emerging:

- That the country is more determined than ever to resist world Communism;
- That our defense production will soon be following a sharply rising curve which within a year or eighteen months will fill all pipelines with an abundance of material and—more important—be ready with even higher productive capacity;
- That the navy and air force have already a good supply of manpower, which is rapidly being trained;
- That army manpower can be brought along as fast as equipment is ready for it during the next year to eighteen months;
- That we are willing to use navy and air-force power anywhere in the world;
- That we will quite certainly be willing to send limited additional army manpower to western Europe, partly to protect what we have there now, but that our land-force commitments will be quite conservative;
- That we are not standing still in the development of new weapons, some of which cannot be discussed;
- That we have not solved the problems of inflation, and are not very likely to do more than slow down—though perhaps considerably—the upward curve of prices;
- That the soberest and best-informed opinion does not expect a world war in the next year, at least, and hopes, not without confidence, to avoid such a war altogether;
- That grave dangers of Communist aggression still exist regionally, and in particular in South-east Asia, the Middle East, and Jugoslavia;
- That, finally, American public opinion and policy always look more confused than they really are, and we are altogether likely to respond to the force and logic of events with not too serious a time lag.

In sum, the United States continues to manifest all its familiar characteristics. We do not have the coherence of traditional policy built up by the insular and imperial experience of Great Britain. If our people react by instinct, it is to the instinct of prairie isolationism and the escapism of those who came here to get away from the ancient woes of Europe. We have not yet absorbed the instinct or feel of being a great power. We must persuade ourselves by reason that we have to accept responsibilities in the world. We must think through and evaluate the alternatives: defense of our homeland through the fortress-America concept, or defense at all the outposts however

far afield. And reason alone does not clarify policy so swiftly or unmistakably as tradition and instinct do.

Yet reason will do the job in the end. Even in so muddled a thinker as Senator Taft reason cannot be submerged, and Senator Taft makes concessions toward internationalism which go quite far. He would send air or sea aid to some outposts which even the State Department had not proposed manning.

### Three Conceptions of Strategy

IT may be worth summarizing the three viewpoints—Hoover, Taft, Truman—to see the choices with which American public opinion is wrestling.

Mr. Hoover would have the United States pull back and concentrate its strength at home. He is unwilling to send new American divisions to Europe, unless or until western Europe builds enough strength to stop the Russians itself. He says that the United States, if Britain is willing, should regard the British Isles as the furthermost outpost in Europe for American sea and air power. Germany, France and Italy should get no more aid, he says, until they have created enough strength to stop a Russian advance. He appears to be willing to see the Marshall Plan end, although he would feed the hungry of the world "when they have already displayed spirit and strength in defense against Communism". In the Far East, Mr. Hoover urges withdrawal from Korea, a build-up of Japan behind American defenses, strengthening U.S. defenses in Formosa and the Philippines. He thinks the Pacific island chain can be held by air and sea power. He warns us against committing any ground forces in China or elsewhere on the Asiatic mainland. He places little reliance in the United Nations, but wants the U.N. to condemn China as an aggressor. After a build-up of air and sea strength, Mr. Hoover proposes to cut military costs and balance the budget.

Senator Taft would go farther than Mr. Hoover in world commitments. He accepts the Atlantic Pact and is prepared to go to war if Russia attacks any of the signatories. But, like Mr. Hoover, he sees the United States chiefly as a sea and air power, and he believes we should choose our battlefields and our weapons. He opposes advance commitments of ground forces to Europe, and says Congress, not the President, should decide the issue. He objects to American leadership and responsibility in the building of a European army. He supports aid to Japan, Formosa, the Philippines, Australia, New Zealand, Great Britain and North Africa. He thinks air and sea power, with a minimum of land support, can be effective in these areas. He would land no American forces in China, and would withdraw from Korea if American troops face difficulties there. He accepts the United Nations as a diplomatic weapon but doubts its military value. Senator Taft is prepared to accept a \$65,000 million budget with \$40,000 million for military expenditure.

President Truman's policies are closer to Senator Taft's than they are to Mr. Hoover's. Unlike the others, he would step out to meet Communism on every front. He fully accepts the United States as the chief bulwark against world Communism, and he regards Europe as the primary defense outpost. The Pacific and South-east Asia are only secondary areas. Under Truman

polices, aid to Europe will continue but with economic aid diminished and military aid increased. He would support a western European army, including Germans, with as many as ten American divisions. U.S. forces are to stay in Korea if possible. President Truman evidently estimates Russia's willingness to risk a general war higher than the others, but believes the United States should make the price of aggression as high as possible. He, too, would keep an American army out of China, but he would support anti-Communist activity within China and urges the United Nations to declare the Peiping Government an aggressor. He proposes a military budget of \$50,000 million.

Senator Taft and Mr. Hoover have made a great impression on American opinion by putting their views to the public in vigorous, clear speeches. The Administration's policies have not been so well clarified. The President himself has seemed to be somewhat weary of late, and Secretary Acheson has had to fight for his political life. Nevertheless, the chances are very strong that Congress and the people will generally support most of the international program the Administration has evolved. The force of events is on their side. They have the strong support of most of the Southern Democrats—who differ with the President on domestic issues, but have traditionally been vigorously internationalist. They likewise have with them the Northern Democrats and a substantial wing of the Republicans. A very vocal part of the Republicans, of course, is violently isolationist.

It is easy to understand why many Americans, bewildered by events in Korea, in Formosa, in New Delhi, in Paris and in Bonn—to mention only a few of the key spots—are reverting to an isolationist mood. Facing a growing wave of neutralism in many parts of the world, and an equally comprehensible misunderstanding of American policies abroad, they tend to support the precise and appealing view of Mr. Hoover. And yet the more they think over the problem, the more it is apparent that the United States needs allies, and that the defense of the free world cannot begin merely at our shores.

The gravest problem is the misunderstanding which has been growing up with our allies. The candid American can recognize many reasons why others are disquieted by us. But not many Americans are so introspective: they feel certain of the integrity of their own motives, they are continuously conscious of the volume of aid they have sent overseas, and they feel most of the rest of the world is ungrateful and selfish.

It seems quite apparent that the anti-Communist world badly needs the sort of clarification of ideas which Churchill and Roosevelt used to give it. More than anything else, the air needs to be cleared. The most lucid and confident voice that has been raised of late is that of General Eisenhower. Americans will listen to him, and he has a great historic opportunity to put affairs in perspective, not only to them, but to our European allies as well. Once this kind of air-clearing takes place, it will be seen that behind a screen of confused thinking, American policy and power have not been standing still.

In fact, President Truman has turned the vital affairs of his Administration over to the most capable men he could enlist. General Eisenhower himself

is a good illustration. Charles E. Wilson, as economic mobilizer, could not be improved upon. Not only is Mr. Wilson an exceedingly capable industrialist and administrator. He has also been given sole power, under only the President himself, to conduct this vast economic operation.

### The Fight Against Inflation

AND so, while it takes a while to get specifications written, orders out and industry geared, there is no doubt that within a few months the American economic machine will be tooled up as it never has been before. The time will come when military supplies could be produced in abundance if not in excess. If they are not swallowed up in war, the chief problem will be how to slow down such a tempo. That moment arrived even in World War II. The possibility of a protracted holding period, without world war, is already clearly before our planners, and they are trying to gear the economy so that it can be adjusted to precisely that problem without collapse. They are aiming at creating productive capacity, rather than stock piles.

The great economic problem now is that of inflation. Without controls, the economy could follow the swift upward curve of prices that has been set since the Korean war began. Inflation unchecked means disaster, the greatest and easiest victory world Communism could win. At the outset of the crisis, men like Bernard M. Baruch urged rigid and complete controls at once. President Truman, and the Congress, were apprehensive of such an operation in peace-time. They felt the necessary results could be achieved by more flexible and indirect methods. But by mid-January, inflationary pressure made action inescapable. Consumer prices are up 5 per cent to an all-time high, and wholesale prices have gone up 12 per cent over pre-Korean levels. Corporation profits after taxes increased 21.8 per cent despite higher corporation income taxes. Average weekly wages went up 12 per cent. The average weekly wage in manufacturing is \$64.15.

Before January 26, the government's effort to control these upward pressures was mainly indirect. It restricted bank, real-estate and consumer credit. It applied two or three price freezes in specific products, like automobiles and hides. It prepared to levy greatly increased taxes in the hope of soaking up surplus purchasing power. But these measures were not swift or effective enough. One Economic Stabilization Administrator, Alan Valentine, who had urged slow measures, was called upon to resign, and another who was prepared to move swiftly, Eric Johnston, came in.

Announcement of the price and wage freezes came jerkily and breathlessly. General prices were put under a ceiling of the highest level charged between December 19, 1950, and January 25, 1951. There were some statutory exceptions. Far from including any price rollbacks at the start, some ceilings are higher than a few current prices—which have gone down in recent weeks. Few farm products are under the ceilings, since these prices are already below "parity"—a calculation based upon the prices of what the farmer has to buy.

Wages, salaries and other compensation were frozen at the rate of January 25, 1951, but this figure is expected to be relaxed almost at once. Millions

of workers have not yet received wages to compensate for the post-Korea rise in prices. The wage order does not take into account labor contracts with "escalator" clauses keyed to the price index. There are also productivity clauses—rewards for increased production—which are not permitted by the freeze, and yet are considered most desirable. Loopholes will certainly be punched in the ceiling without delay.

Neither the price nor the wage administrators have adequate machinery with which to enforce their rules. Nor do they have the advantage of an all-out war emergency to penalize black marketing. They are extemporizing staffs—with a deplorable political control of all the new bureaucratic jobs—but at best the enforcement task will be very hard. It is clear that in the long run the success or failure of the attack on inflation will depend on what are called indirect methods. Not ceilings, but the basic relationship of supply, demand and purchasing power will determine the degree of stability the American economy enjoys. Taxation, strict credit controls, realistic debt management, government economy: these are among the measures which will tell the story. But price-wage controls are manifestly necessary, even though they are only a superficial remedy. It is still possible to win the war against inflation, but it will be a continuing fight.

#### The Anti-Communist Alliance Under Strain

**I**N the confused welter of events and talk that surrounds American policy toward the Korean question in the United Nations, these points are emerging: that no sanctions against the Peiping Government are now likely; that it is of utmost importance to regain the unity of the anti-Communist nations; that involvement in a general war in Asia would be fatal.

Beyond this framework, there is a great divergence of view—a divergence which is making American opinion increasingly impatient with other governments and with the U.N., and which manifestly is producing a similar impatience with the United States. The American Government informally expresses this caustic view of the Peiping proposals: "How stupid do they think we are?" Washington is deeply convinced that each cease-fire scheme that has come out of Peiping (up to January 28) would be a trick for winning Communist ends in Korea and in all Asia. To accept any of these arrangements, in the American view, would sacrifice the position of the U.N. and destroy all hope for rescuing or unifying Korea. Moreover, such a cease-fire would release the best Chinese troops to be used on the even more vital fronts of South-east Asia.

The American government sees few reasons indeed to assume that the Mao régime can be wooed readily away from Moscow. And to regard Chinese Communism, in the face of its invasion of Korea and its threats elsewhere, as a potentially peaceful agrarian revolution seems to Washington the height of folly.

Of course, Washington knows that the British government holds no such views. And, although such views are expressed by the Indian government, Washington knows there are elements of political realism involved. The American government recognizes London's valid desire to prevent a big

Asiatic war, and it understands India's exposed situation. The American government, too, wishes to keep out of the quicksands of the Asiatic mainland. But it believes that London, like New Delhi, is skirting dangerously close to appeasement and self-delusion. And so Washington has held the line firmly for declaring Communist China an aggressor, even if such a vote has only "moral" value. It, too, recognizes that sanctions are probably now out of the question. The only sanctions are those being inflicted by the U.N. forces in Korea itself.

As this is written, there is no valid explanation of the elusiveness of Chinese troops in Korea. Reports of heavy losses all the way down from the Yalu River, of a typhus epidemic, and of a strategic withdrawal to protect Chinese supply lines and to extend U.N. lines are being discussed. The transfer of Chinese troops to Southeast Asia in preparation for a move against the resources-rich areas there is perhaps the most logical explanation yet at hand. But events are not yet clear enough for conclusions to be drawn.

It is likely that every effort will now be taken to unify the anti-Communist forces in the U.N., in so far as that is possible. Yet the danger that Washington and its allies may drift apart remains very serious. Much needs to be done to clarify positions on both sides—or on the various sides—of this dispute. As this is written, one more "face-saving formula" is under discussion at Lake Success, and there is every chance that some such form of words will be adopted. The fundamental difference of view between the United States, the Arab-Asian nations and the British Commonwealth group will remain. This difference is a blend of practical politics and of principle. Both elements are mixed together on both sides. As rarely before, a statesmanlike voice is now needed to make plain to public opinion and governments that the worst tragedy of all would be a permanent division in anti-Communist ranks.

#### The State Department

THE prospect of Secretary Acheson's resignation has been on-and-off for several months. By last December, his usefulness had seemed to be severely undermined, very largely by unfair political attacks from which he had no adequate defense. The Republican caucus in Congress made the mistake of demanding his removal, which stiffened President Truman's decision not to force Mr. Acheson out under fire. Time went on, and the resignation was again expected in late January, but then important voices were raised in Mr. Acheson's behalf. So the situation remains entirely uncertain. If Mr. Acheson were to go, the probability is that he would be replaced by Chief Justice Vinson, of the Supreme Court. Mr. Vinson is a man of broad and homely wisdom, experience and character, but he has little knowledge of foreign affairs. He is deeply trusted by President Truman, and by Congress.

And so the United States looks forward uncertainly into 1951, sure—at least—of the strength of its industrial potential, a little happier about the position in Korea, a little less fearful about the chances of global war, but very much in need of a clarifying, illuminating voice.

United States of America,  
February 1951.

## UNITED KINGDOM

### NEW DEFENCE PROGRAMME

**T**WO or three years ago the rest of the world was wondering why the British Government and people seemed to be no more than glancing at the international clouds, and going their heedless British way as though clouds did not matter. It is certainly true that far too little educating of the public mind was being done at that time by our political rulers. Leadership not coming naturally to any one of them, they were in a dilemma, for a general election lay ahead, and they wanted to win it on Full Employment and the Welfare State. Talk of rearmament, whatever the Cabinet may have been thinking about the need for that, would have jarred. To our cost we remember the same inhibiting effect on Mr. Baldwin and the Conservatives before the general election of 1935.

Korea and Communist behaviour regarding Korea have begun to open the people's eyes. Twelve months ago the general election came and went, and the Government scraped through, and to his credit Mr. Attlee—whose desire to serve his country's well-being is never in doubt—began to escape from his inhibitions. Last August defence expenditure was bumped up from £780 million a year to a prospective £3,600 million over the next three years. At the time he warned us that this level could not be attained without American help, unspecified in amount or kind. Immediate placing of production orders on a large scale was expected, and then did not materialize. It shows how far we must have been behindhand with rearmament plans, that the actual increase in defence expenditure for the financial year ending March 31 next seems likely now to be surprisingly small. Again after 15 years we are impatiently having to learn how long it takes to get a war-production programme into full stride.

All previous figures dwindled into unimportance when the Prime Minister on January 29 made his anxiously awaited statement of the Cabinet's latest decisions on the defence programme. Expenditure for this purpose is to be in the neighbourhood of £1,300 million in the financial year 1951-52, he said, and may be as much as £3,400 million over the two following years, making a total of £4,700 million for the three-year period 1951-54, or £1,100 million more than the estimate made last August.

The financial and fiscal implications of this are hardly yet contemplated by anybody, other than the Chancellor of the Exchequer and his advisers. The country feels it is taxed up to the hilt already. It knows the money must be found, but to think where it is coming from is so unpleasant a process that one prefers to wait for the budget in April rather than speculate upon it. A further increase in the profits tax on the distributed profits of companies seems a certainty, and yet in spite of this the prices of first-class industrial equities have been rising on the Stock Exchange; up to the time of writing more people have been hedging against inflation than against additional taxation. That tide may turn any day.

Nearly half of the £4,700 million is to be for war production. That means high weekly earnings, which are selfishly pleasant to the recipient. The consequent scarcities of ordinary peace-time goods will make their vexatious effect felt later. But the cost of living is going up all the time; it will be ironical if the rising cost of living, which all their policies and all their planning have failed to control, becomes the irresistible force which brings this Government of avowed planners down in the end. Extra taxes have not to be paid yet, and extra shortages are of the future, but meanwhile individual effort and sacrifice are demanded of the younger men. From October 1 last, every man reaching the age of 18 is liable to two years' compulsory national service—a large slice out of any career, and severest on those destined for a university. That has been accepted with traditional grumbling and magnificent loyalty; two years' service is now an element in national life, and everyone is going to see it through, though almost everyone longs for the day when conscription will be no longer necessary.

What the new programme entails, in addition, is an extensive call-up of reservists, mostly for refresher training. So many reports had been circulating in the press about this call-up that questions were asked in Parliament whether leakage had occurred. Certainly the previous rumours made the actual announcement seem tame. Maybe that was their purpose. Maybe the policy eventually decided upon was a compromise between the right and left sections within the Cabinet. About 235,000 reservists, officers and men, are to be called up for 15 days' training with the Army this summer—a selective call-up, mainly but not exclusively from those who missed the war but did their compulsory service between 1945 and 1949. The R.A.F. will call up 10,000 men for 15 days, 3,300 for 3 months' flying training, and 200 for 18 months' duty as flying instructors. The Navy will recall a further 600 officers and 6,000 men for 18 months' service. The Army had previously, in connexion with the Korean situation, called up a substantial number of men from the Regular reserve.

### Party Attitudes

FIRST reactions to this programme from the Conservative side were that 15 days was too short a period to afford enough actual training time for the call-up to justify itself. The slowness with which the Government faced realities was also criticized. "What we are receiving today, which we receive with all respect", said Mr. Churchill, following the Prime Minister's statement, "is a further revised estimate of what is necessary and what would have been necessary six or even twelve months ago."

The extremists of the Labour party are, in private, at least equally critical. They smell a cut in social-service expenditure, and are making ready to bay at any such expedient. But they know that any schism in the Labour party means the end of Labour rule, which at present rests upon so meagre a parliamentary majority.

Their political loyalty was suddenly and unexpectedly put to the test. It had been arranged "through the usual channels" (which means that it had been decided between the Chief Whips of the two main parties) that the

House of Commons should devote February 12 to a general debate on foreign affairs, in preparation for embarking on a two-day debate, to occupy February 14 and 15, on the Government's defence policy. Nothing was thought likely to go to a vote. With grave and balanced speeches, largely dwelling on Germany and the case for allowing the Germans to join in defending the West, Mr. Eden initiated the foreign affairs debate and Mr. Attlee followed him. The day revealed the disquiet felt on the left wing of the Labour party about the Government's firm front in face of Communist power and Chinese intervention; that wing trusts the Russians more than the Germans, and the Chinese more than the Americans. But all other quarters of the House seemed to be standing solid together against the common threat to British freedom.

The subsequent defence debate was opened by Mr. Shinwell in a speech which, unfortunately for him, contained echoes of the falsely reassuring phrases about increasing production which we all remember too well in the years before 1939. Also he seemed to be softening up the proposals, thought by many Conservatives to be too soft already, for the 15-days' training for reservists; he gave a strange-sounding pledge that these reservists would not be called up again for similar training in future years. Mr. Churchill's patience broke, and rightly or wrongly he put down, before that first day's debate was over, an amendment of "no confidence in the ability of His Majesty's present Ministers to carry out an effective and consistent defence policy, having regard to their record of vacillation and delay". He moved this himself the following afternoon. It was not one of his most effective speeches. The Liberals decided to vote with the Government. Mr. Bevan as Minister of Labour, winding up the debate, most skilfully appealed to his left-wing friends to recognize that the Government had thoughts of world pacification in their hearts, contrasting with Mr. Churchill's exacerbating attitude. The Conservatives were defeated by 21 votes. They had made clear their support for the defence expenditure; their criticism was against the executants of the policy.

### Coalition Unlikely

**T**HREE has been talk of a Coalition, but none of it has come from the Labour side. For holders of Socialist principles there is no compromising with Conservatives, except in time of war when questions of peace-time economic structure become irrelevant. One or two Conservatives, not among the party leaders, have advocated Coalition recently, but theirs are lone voices. Among Conservatives generally there is sharp suspicion against any return to a system under which from 1943 to 1945 (in the Conservative view) one party to the Coalition was concentrating upon winning the war, whereas the other was planning to win the post-war election. In any case, the unconcealed distrust between leading individuals on the two front benches would make an all-party Cabinet unworkable today, except under the direst stress of outside events.

This is not to say that Mr. Churchill himself would refuse to serve under Mr. Attlee; there is no personal hatred between those two, and Mr. Churchill

wants ardently to be in a Government again before age overtakes him. But neither Mr. Churchill nor any of his political friends can tolerate the thought of, for instance, Mr. Shinwell as Minister of Defence or Mr. Strachey as Secretary of State for War. Instead of moving them, the Prime Minister has lately made other and less urgent changes. He has relegated Mr. Isaacs from the Ministry of Labour to the Ministry of Pensions; transferred all local-government functions from the Ministry of Health to the Ministry of Town and Country Planning and renamed Mr. Dalton as Minister of Local Government and Planning; shifted Mr. Bevan from the Ministry of Health, which he was longing to leave, to be Minister of Labour; and promoted the quiet Mr. Marquand from the Ministry of Pensions to what is now genuinely a Ministry of Health, where his less controversial and more fair-minded temperament may pour oil on waters which his predecessor stirred into storm with pugnacious pertinacity. Meanwhile Mr. Bevin has been confined to bed with another serious attack. Some who rate highly Mr. Attlee's political shrewdness believe that, in case the Foreign Secretaryship should fall vacant, he has tucked away the two most dangerous aspirants, Mr. Bevan and Mr. Dalton, into new jobs which will occupy all their energies for some time.

Talk of an early general election has faded. Something more significant is quietly occurring. We are crossing a political watershed. At the present moment, for the first time in perhaps ten years, more people are wanting a Conservative than a Labour Government, if Gallup polls and the general evidence of political observers can be trusted. The immediate consequence of this crucial change is, of course, to leave Mr. Attlee with no motive for seeking a Dissolution, and every incentive to carry on as long as possible in the hope that something may turn up to put the trend of public opinion into reverse. If only he could woo the nine Liberals in the House to abstain regularly on vital divisions, as indeed they often do, his majority would look safe for some time.

But even so, if the tide continues to set towards the right, there may be no resisting it. No Prime Minister can exorcize the risk of by-elections. Four lost seats at by-elections would put him at the mercy of the Liberals, and their terms now would not be such as Socialists could accept. Even two losses, counting four on a division, would probably shake the Government down, and the ensuing general election might well give the Conservatives a sufficient working majority.

#### Commonwealth Policies

NO doubt the Commonwealth Prime Ministers, whose visit to London in January was so cordially welcomed, perceived how British politics were being conducted on a tight-rope, and that many of the performers were tired men, near the limit of their resources in effort, imagination and power of decision. What mattered most at those meetings, however, was that the British Commonwealth was collectively in action, and one could begin to sense the strength of common understanding and, on some subjects, of

common will which this assemblage of free nations, new and old, may learn to throw into the work of settling world affairs, for the good of all.

One figure on the British side will never now return to play the part in the Commonwealth and Empire for which he was equipped with generous heart and sparkling mind. Oliver Stanley, Colonial Secretary from 1942 to 1945, and younger brother of a former Dominions Secretary, died on December 11 at the age of only 54. No recent House of Commons held his equal in brilliant debating thrust and repartee, and malice was so far from him that his words left no soreness, only laughter in which the victim joined. He might have become leader of the Conservative party one day, and Prime Minister; but someone would have had to push him into it, for all he wanted was to devote himself to the future of the Colonies again.

It is unfortunate but inevitable that the item of Colonial development most in the public eye since the war has been Mr. Strachey's ill-fated East African ground-nuts scheme. The Government have now decided that the original aims of that scheme are incapable of fulfilment—but not, unfortunately, until some £36 million of the British taxpayer's money has been spent on it. The primary aim was to increase production of oils and fats in order to mitigate a world scarcity, and at the same time, by increasing the productivity of Tanganyika, to raise the standard of living of its people. Difficulties of clearance and cultivation were grievously underrated. A much modified scheme, estimated to cost £6 million over the next seven years, is now to be adopted, less as an immediate production project than as a large-scale experimental development to establish the economics of clearing and mechanized or partly mechanized agriculture under tropical conditions. Responsibility passes from the Minister of Food (now Mr. Webb) to the Colonial Secretary. But there is no explaining away the loss of £36 million. Ground-nuts raise the loudest laugh at any political meeting. Mr. Strachey has become War Minister, in charge of the expansion of the British Army. But Mr. Attlee's confidence in him is not widely shared.

### Shortages and Politics

THE Minister of Food has his own troubles. From February 4 he has had to reduce the weekly ration of carcass meat (beef, mutton, or pork) from tenpence to eightpence, with an additional twopence worth of corned beef. In his unwillingness to pay excessive prices for beef from the Argentine he originally had Parliament with him, but there is a feeling, not confined to the Opposition, that this deadlock should have been avoidable. A vote of censure which bluntly accused the Government of mismanagement and lack of foresight was rejected in the Commons by 306 to 298, but most of the 306 Labour members who dutifully obeyed the Whips were sick at heart over the business. Seldom, if ever, since their party took office in 1945 have they felt themselves to be on such a bad wicket. The successes or mistakes of a Government in its foreign or imperial policy may make little or no impact upon the man in the street until months or years later. But the impact of an eightpenny meat ration is immediate, fierce, penetrating and universal. Mr. Webb's carefully documented *apologia* could not spirit away the damaging

## UNITED KINGDOM

effects of a devastating opening speech for the Opposition by Captain Crookshank, Financial Secretary to the Treasury during the war, who made the point that the inmates of London County Council workhouses in 1938 got three times as much meat as the maximum that anyone can get today.

The middle-class housewife trying to keep the home going without overspending the family income is coming to her wits' end. The rises in raw-material prices are working their way through to the finished article. Prices of all woollen goods in particular are rocketing. Government spokesmen ascribe all this to the Korean war and its effects on world demand. The Opposition replies that, long before the Korean war began, devaluation of sterling started this upward surge, and that Sir Stafford Cripps's assurances that hardly any price rises were likely were false from the start. Women trying to buy in the shops do not bother their heads much about these controversies, nor do they really know what a different Government would do about it all. But it tends to make them say it is time we had a new one.

So does the shortage of coal and coke. In large towns many homes have been without fuel for days or weeks this winter. Stocks of coal in merchants' yards at the beginning of 1951 were 2 million tons down compared with a year ago. Priority for supplies to the power stations, to avoid another electricity shut-down as in 1947, has left everyone else short. Train services are being reduced, and industry is being subjected to what is euphemistically called under-delivery, running to 15 per cent of requirements. Wherever the fault may really lie, it is the Government that receives the blame and the gibes; and its necessary decision to prohibit the use of non-ferrous metals for non-essential purposes, in order to conserve stocks for war production, will shortly cause more dislocation and resentment. All this background is going to aggravate its difficulties in reimposing whatever other controls are deemed to be necessary for the defence programme.

The decision that nationalization of the steel industry, which the Act provides for at an unspecified date during 1951, should take effect on February 15 seems in these circumstances to be political rather than national. Several Ministers, including Mr. Herbert Morrison, were believed to be opposed to it. Whether it really is the price which Mr. Bevan exacted for his agreement to support the defence programme, no one knows for certain. Steel nationalization is an article of faith with many of the politically fervent members of the Labour party. They are not quite sure of all its economic consequences, but what justifies it in their eyes is that it will break the power of the present leaders of the industry, wealthy men, who have largely built up their own wealth and not inherited it. Suspicion of power which is not democratically controlled mingles with envy of riches to convince the Labour man that nationalization of steel is in the country's interest. The Opposition made one last fling to try and prevent a change which it deeply believes will have disastrous consequences for Britain as an industrial country. Mr. Churchill on February 7 moved to have the decision reversed as "not in the public interest, in view of the record production attained by the industry and the urgent needs of the rearmament programme". Excitement ran high, partly because of uncertainty as to the way the Liberals would vote, partly because

the vesting date was so near, partly because it was the first in a series of critical divisions on various subjects which the Government had to survive. The Liberals voted this time in the Opposition lobby, but the attempt to snatch steel back from public ownership was defeated by 308 to 298. The Conservatives reaffirmed their pledge, which they will certainly carry out, to denationalize steel as soon as they are returned to power.

### Waiting for Leadership

WE are passing through confused and difficult days, and we stand as a nation in grave need of clear and simple leadership. The predominating military strength with which Communist Russia has provided herself is the factor bound to condition all our policies. But the ordinary man has hardly grasped that yet. It has not been made plain enough to him, and he mentally shies at recognizing an unpleasant fact. For the same reason he hardly yet comprehends the paramount necessity of maintaining complete understanding between the American and the British peoples. He thinks the Americans have been rash about China. Were he helped to realize that the Americans in Korea have suffered seventy times as many casualties as the British there, he would see the American point of view better, even though he might still think it mistaken. He has not yet been helped enough to see the immeasurable contribution of Marshall Aid, now at an end, to the rebuilding of this country's life and strength. He admired Mr. Attlee for flying to America in December, but is not at all sure what came of it. Truly if Britain and all the Commonwealth countries and the United States are to stand up together effectively to preserve the freedom of the world, they will need leaders who in plain and understanding terms can interpret one people to another, and in compelling language can enable them to see the world whole.

Great Britain,  
February 1951.

### NORTHERN IRELAND

A RECENT speech by the Minister of Home Affairs, Mr. Brian Maginess, A. K.C., was a timely relief from the acerbity which characterizes so much political utterance in Northern Ireland. In it he spoke of the development among the Nationalist minority of a new consciousness of their place in the community and of pride in the achievements of the Province as an area of self-government. He suggested at the same time that the violent antagonism of the past has been lessened, except among a decreasing number of irreconcilables, and this happier condition he attributed to the impartiality of the administration, the recognition of the special position of Roman Catholics, particularly in relation to education, and a state of material prosperity based on thriving agriculture and the benefits of the social services.

Coming from one of the younger and more restrained members of the

Government, this view holds out at last a promise of that unity as a people which Northern Ireland has not enjoyed since its beginning; yet as Mr. Maginess has himself acknowledged much of the change is below the surface. When instinctive loyalties and sentiments have been so long and so sharply in conflict, signs of better feeling are slow to find positive form; at best they appear in the lower note of controversy, and in the relative lack of cohesion and enthusiasm among the anti-partition parties.

This may be due partly to the fading of hope of any early attainment of their objectives and partly to the knowledge that Northern Ireland, within the United Kingdom, provides a higher standard of living. Politically, too, breaches have widened between the more conservative Nationalists of the former Redmondite school and those whose republicanism has a growing strain of Socialism. As a result there is no unanimity in the direction of policy nor in so primary a matter as acceptance of the proper function of providing an active Opposition in Parliament. Although elections have shown that in a few constituencies some of the minority have supported Unionist candidates at the poll, voting in any straight fight continues to be a conscientious duty. On the other hand, as in the latest by-election in South Armagh, where there is a large Nationalist majority, less than half the electorate recorded their votes in a contest between an Abstentionist (from Parliament) and a nominee of Irish Labour, the only party organized on both sides of the border. A farming community having chosen him as the more orthodox of the two, the Abstentionist, Mr. Charles McGleenan, has since been seeking a right of audience in the Dáil in Dublin, an extra-territorial representation which even the Irish have difficulty in making feasible at law.

It can hardly be said, however, that Unionists as a body have responded so fully as they might have done to the portents of a truce. Many of them have been brought up in a rigidly defensive attitude of mind which allows no concessions to be made to their traditional opponents. They are slow to perceive that a progressive domestic policy is capable of working a change of heart towards the régime, and their vision is prone not to extend beyond local politics, in which friction and exclusiveness are most prevalent. Nevertheless, the soberer elements on the side of the Government, among whom Mr. Maginess is taking a lead, would seem to be pondering the advantages of a more liberal outlook. As yet the party organization has not given much expression to this tendency: it aims to retain the support of extreme sections more than to attract votes from elsewhere. But it may well prove that the example of the Cabinet, which is more moderate in its make-up than much of its following, will bring about a deviation in a party line which runs too close to the demarcation between Protestant and Roman Catholic. Already a fall in the Unionist vote in the West Belfast by-election for the British Commons, though admittedly this is a cockpit, has been blamed on a distaste for the sectarian character of the campaign at the hustings.

For those whose prejudices and suspicions are unallayed, despite the many safeguards which Northern Ireland now possesses, it must be recorded that animosities are constantly generated afresh by the attempts in the Irish Republic, more so than in Ulster itself, to reopen the Partition issue. No

opportunity is lost of condemning the present settlement and it falls to Sir Basil Brooke, as Prime Minister, to make retort when otherwise he might be engaged in cultivating a friendlier atmosphere at home. One can only speculate on how successful such a mission would be in the absence of disturbing influences from outside. The suggestion is not that Nationalism would cease to be a strong aspiration but that there could be built up a co-operation between all sections of the population, the lack of which is a continuing source of weakness and misunderstanding.

From time to time observers are accustomed to point to measures of collaboration between the two Irish Governments as a sign of the lowering of the barriers. Most recently, Ministers have met in Dublin and Belfast to plan the joint acquisition of the Great Northern Railway, an act which has been hailed as the advent of a new era. Yet on close acquaintance with the facts it may be doubted whether this is not making a virtue of necessity. Much as these and other agreements of mutual benefit disprove the presence of a physical border its ideological nature is in no sense diminished. The incident immediately following the agreement on the future of the railway, when the Republic made strenuous diplomatic protests against the sending of a Dutch naval air squadron to Northern Ireland for training with the Royal Navy under the North Atlantic Treaty, at once dissipated any goodwill that may have been discovered at the conference table. It is perhaps true from the Ulster point of view, as much as from that of the South, that the best hope of friendship, if not a drawing together, is that all contention on the border question should be suspended. As it is, the differences are for the moment at least the greater for the refusal of the Republic to join in Western defence than for its departure from the Commonwealth.

It is in line with the growth of a spirit of magnanimity towards the minority in Northern Ireland that Mr. Ernest Blythe, a former Cabinet Minister in Eire, should have advocated the abandonment, in favour of a policy of persuasion, of all ideas of securing Irish unity by coercive means. Unhappily, every direct attack on Partition at once excites emotions in Ulster, intensifies the religious divisions and sets at naught whatever will there is on the part of the Government to enact liberal measures towards internal security and such public services as education. Such unrest, moreover, is not caused solely by the rivalry between the political parties in the Republic: the peaceful state of Ireland as a whole is not being improved by the manœuvres of Irish-Americans in Congress nor by the hostility to the North shown by a group of Socialist M.P.s in Great Britain whose intervention in local affairs is without constructive purpose.

Northern Ireland,  
February 1950.

# IRELAND

## THE ECONOMIC CRISIS

LIKE most other countries we are confronted by serious problems and difficulties as we enter the second half of the twentieth century. The Inter-Party Government led by Mr. Costello, which was elected in February 1948, has now held office for three years. Based on an uneasy and purely expedient alliance between the relatively conservative Fine Gael and Farmers' parties, the two antagonistic Labour groups, the untried Clann na Poblachta (Republican Party), and the variegated Independent members, few people believed that it was likely to last long. The principal credit for its survival must be given to the Prime Minister, Mr. Costello, who has been wisely content to act as mediator rather than policy maker, and who has avoided the limelight in which some of his meteoric colleagues delight to bask. Sometimes, indeed, it has seemed as if each Minister was revolving in an orbit of his own. On the whole, however, this diversity of approach has produced results. Mr. Dillon has initiated far-reaching and overdue schemes for the development of agriculture; Mr. Mac Bride has lost no opportunity of making our voice heard abroad; Dr. Browne has achieved real progress in the domain of public health, particularly in the campaign against tuberculosis; and Mr. Norton has devised a generous scheme of social security which Mr. McGilligan, the custodian of our national purse, apparently views with some anxiety. But the testing time of this strange combination has now arrived.

### Wages and Prices

IT is particularly in the economic field of wages and prices that the strain has come. In some respects the position is satisfactory. Agricultural production has been restored to its pre-war volume while the income of the farmers has nearly trebled since 1938. Industrial production and employment, in a heavily protected market, have alike increased considerably. But there is another aspect of the matter, the cost of living, which more closely concerns the large majority who are neither farmers nor manufacturers and who have to make ends meet on a fixed salary or wage. Moreover, the effects of devaluation and rearmament, both uncontrollable external events, are beginning to exert their baleful and unavoidable influence on the price of many essential goods. Such general wage increases as were agreed upon at the end of the war have now been nullified by the further increase in the cost of living. In these circumstances it is not surprising that there has been a vehement demand by the trade unions for an increase of wages and control of prices. Negotiations for an increase of wages between the two trade union bodies and the employers' organization unfortunately broke down at the end of October, and the Labour Court, under whose auspices they took place, declared it did not regard the case for a general increase in wages as

proved. During the negotiations the trade unions contended that there had been an advance in the real cost of living since the 1948 Agreement which was not reflected in the official price-index number, and that increases in wage rates had not during a long period of years kept pace with the increase in the cost of living even as shown by the index number. As a result they claimed that workers generally had not been able to maintain a standard of living equivalent to the pre-war standard, which was itself too low. They also claimed that there had been increases in the total national income, in profits and in production, which showed that wages could be increased. The employers' reply was that the official index number must be accepted as the only valid test of changes in prices unless and until it was repudiated by the Government, and that it had not changed appreciably since 1948. There had been in fact an improvement in the standard of living as compared with 1939 or 1947. The employers stated, however, that they were quite prepared to consider any special cases in which the circumstances could be held to justify an increase in wages, but that claims should be negotiated by the appropriate organizations on both sides. Since the breakdown of the negotiations the cost-of-living figure, the record of our economic temperature, has risen by two points. The Congress of Irish Unions has decided to demand an all-round wage increase of 12s. a week and the Irish Trade Union Congress has decided that each trade union shall seek wage increases individually. These decisions have ended all hope of a comprehensive national wage agreement.

### Government Action

AFTER the breakdown in the negotiations the two trade union Congresses immediately presented their views to the Government and sought a declaration that wage increases were justified because of increased production combined with the rising cost of essential goods. They also demanded a rigorous control of prices and profits and the reimposition of the excess profits tax. The Government's reaction to these demands was indicated by Mr. Costello in a speech on November 13. After defending the cost-of-living index number as a reasonably accurate reflection of the price of certain essential commodities, and pointing out that it assumed the maintenance by the consumer of an unchanged standard of living, although in fact the standard of living had risen, he added that at present the prices of many commodities were far too high. Although, he said, no perfect system of price control could be devised, and the present system was rigorously enforced, attention was being directed to devising a new system which would aim at achieving the best possible results, and to making the difficulties and limitations of price control clear to the public. At the same time it was announced that the Central Statistics Office was about to make a new family-budget survey, the last having been made as long ago as 1922. The truth of course is that the cost-of-living index number was not intended to measure the standard of living but only the cost of a given standard. These fine distinctions are, however, small consolation to the housewife who, when she goes shopping, finds that as compared with 1938 her £ is only worth about 11s.

On December 6 Mr. Norton, the Minister for Social Welfare, informed the Dáil that the Government was about to establish a Prices Tribunal whose function would be to examine "microscopically" any application for a price increase; they also proposed to "freeze" prices. The Tribunal would not, he said, be an automatic machine to register price increases. It would report to the Minister, who would make his decision on the facts presented to him. If there was a doubt the public would get the benefit of it. Every aspect of profit-making would be brought before the Tribunal and particulars made available. Commodities already released from price control would again be controlled. On January 2 the Minister for Industry and Commerce made two orders, one "freezing" prices as from December 2 on a comprehensive list of commodities; the other setting up a Prices Advisory Council under the chairmanship of Mr. Justice Lavery of the Supreme Court. The Council is empowered to review the prices of commodities and services, and to advise the Minister on these matters. It may also "investigate the profits" of persons dealing in any commodity or providing any service. The new Council is faced with the almost impossible task of trying to stop prices from rising at a time when goods are getting scarcer and dearer. There is no effective administrative machine to enforce its orders, and previous experience shows that little help is to be expected from the public. Moreover, as some 90 per cent of the raw materials, which constitute the most important item in increased prices, are imported, the price of such materials cannot be controlled. A manufactured article containing raw materials, purchased recently at greatly increased prices, in many cases at the Government's suggestion, cannot now be sold at the previous price without involving the manufacturer in serious loss. He must therefore go to the Minister for permission to increase the price or go out of production. The first course involves a tedious procedure before the Prices Council in which the financial resources of his business including "the accumulation of past profits" may be investigated. In the meantime he must sell his product at a loss. The Federation of Irish Manufacturers has declared that in view of the present world economic situation the Prices Order "is impracticable and, if implemented, will cause irreparable damage to the country, and Mr. Costello has stated that the Government is prepared to consider such modifications of the Order as may be found necessary.

#### The Railway Strike

ON December 17 the first sign of serious labour unrest appeared when some 3,000 members of the Irish Transport and General Workers' Union employed by the railway section of C.I.E. (the State controlled transport system) struck work in order to enforce a claim for 12s. a week increase and a minimum wage of £5. The three other railway unions, comprising some 7,000 workers, had already accepted an award by the Joint Industrial Council of increases ranging from 4s. to 11s. a week, but a similar offer was rejected by the Transport Workers' Union. Fundamentally this strike was a struggle between the Irish-controlled I.T.G.W.U. and the British-controlled railway unions, and all the more bitter on that account. At first there was an

almost complete dislocation of the railway service, but on December 22 the Dublin engine crews, who had at first refused to pass the strike pickets, returned to work, with the result that the main-line service was partially restored in time to deal with some of the Christmas traffic. An effective skeleton passenger service was maintained but goods traffic came to a standstill and the country towns began to run short of essential commodities. Manufacturers, farmers and cattle traders were alike seriously affected and some factories had to close down. Finally, when economic paralysis seemed imminent, the Catholic Archbishop of Dublin, the Most Reverend Dr. McQuaid, intervened and proposed that the strikers should return to work and that representatives of the railway Board, the Transport Union and the three railway unions concerned should meet to consider and agree on a modification of the negotiating machinery for railway employees. These proposals having been accepted by the railway Board and all the unions involved the strike ended on January 28.

### The Bank Strike

ON Christmas Eve the public received another unpleasant shock when it was announced that a strike of bank officials was to begin immediately after the holidays. Although it was known that negotiations between the bank directors and the officials for an increase of salaries were in progress, this drastic development was not expected. After discussions on Christmas Day between Mr. Costello and Mr. Norton representing the Government and representatives of both parties to the dispute, it was announced that no basis for averting a strike had been found, and the Government, in order to protect public interests, issued an order authorizing the banks to close. The whole matter came before the Labour Court on New Year's Day, but the representatives of the Bank Officials' Association, who had to be subpoenaed to attend, refused to present their case on the general grounds that the dispute could only be settled by direct negotiation with the banks. It appeared, however, from the statement made to the Court by the Chairman of the Irish Banks' Joint Committee, that the present remuneration paid by the banks runs in the case of male officials from £198 at entry to £711 in the twenty-first year of service, and of female officials from £190 at entry to £400 in the twentieth year, but that well over 50 per cent of the male officials are receiving remuneration much above £700 a year. The Officials' Association demanded that the salaries of male officials should start at £242 and go up to £968 in the twenty-first year of service and of female officials should start at £242 and go up to £605 in the twenty-first year. The banks maintain that, in accordance with existing agreements, the dispute should have been submitted to arbitration, but the officials, who apparently were not satisfied with the results of previous arbitrations, have repudiated the agreement to arbitrate and insist on a decision by negotiation. As there are no fewer than nine banks involved the difficulties in the way of negotiation are obvious. Although the banks do not seem to have shown much diplomacy the officials have lost public support by their refusal to go to arbitration or to state their case before the Labour Court. On the other hand, people feel that there must be

something radically wrong somewhere when bank officials, normally a conservative body, suddenly decide to adopt such extreme measures. They receive no strike pay and must suffer serious loss if the present situation continues for long. The Labour Court's report on the dispute, which has no binding force, was issued on January 10. The Court declared that it could find "no justification for the course taken by the Officials' Association", and that it was guilty of a breach of faith "all the more reprehensible because committed by a body of officials who have claimed that they occupy positions of trust and responsibility". The Court recommended that the banks should reopen and that the officials should return to work at once without penalty apart from loss of pay while on strike; that the denunciation of the 1948 agreement should be withdrawn and its arbitration procedure invoked; and that there should be a general review of the agreement itself and of present and future staffing problems. The Bank Officials' Association immediately announced that they would ignore these recommendations of the Court, whose intervention they had not sought because of their unhappy experience in 1947. On January 16 an attempt to resume negotiations under the independent chairmanship of Mr. Justice Davitt broke down because the banks insisted that the officials should return to work at once. At the request of Mr. Costello negotiations were reopened unconditionally on January 22 but broke down after three days, when the officials rejected a "final offer" from the banks on the grounds that it was substantially below the minimum they were authorized to accept. The banks on their part rejected a suggestion by Mr. Justice Davitt, the independent chairman, that the difference remaining between the parties should be submitted to arbitration. Finally, however, after Mr. Costello had again intervened, arbitration took place with Mr. Justice Davitt as umpire, and, after the award had been made, the banks reopened on February 16.

### The Great Northern Railway

ANOTHER serious crisis, which concerns both parts of Ireland, has arisen concerning the future of the Great Northern Railway Company. Approximately half of the company's 7,000 employees reside in the Republic. On November 9 the company informed Mr. McCleery, the Northern Ireland Minister for Commerce, that because of the magnitude of its commitments the stockholders must be advised that it "would be improper for the company to carry on business after the close of the financial year on December 31", and that "the company could not rely on possessing any liquid resources after the first few months of 1951". A copy of this communication was also sent to the Department of Industry and Commerce in Dublin. On December 8 an extraordinary meeting of the company's shareholders passed a resolution calling on the directors to cease operations on the company's system at the earliest possible date. Lord Glenavy, the company's chairman, informed the meeting that on November 30 the company's surplus of liquid resources was less than £1,000, and that a loss of £8,000 a week would be incurred if the company continued to operate. These events compelled both Irish Governments to deal with the matter and several meetings took place in Dublin and

Belfast during December between Mr. Cosgrave, Parliamentary Secretary to the Minister for Industry and Commerce, and Mr. McCleery, the Northern Minister for Commerce, without any published result. On January 6 the railway company gave public statutory notice of their intention to close down the railway on February 14. This brought matters to a head and, after a two days' conference in Dublin between Mr. McGilligan, Minister for Finance, and Mr. Cosgrave, representing the Irish Government, and Major Sinclair, Minister for Finance, and Mr. McCleery, representing the Government of Northern Ireland, it was announced that the two Governments had agreed to make an offer to purchase the undertaking as a going concern as from January 1, 1951, for £3,900,000, representing the average Stock Exchange valuation of the various stocks of the company over the last three years. As the paid-up capital of the company is £9,542,498 and the government experts have recently agreed that the break-up value is £10,876,000, the shareholders are hardly likely to accept this offer. It may be assumed, however, that whether by compulsion or otherwise the railway and its road services south of the border will soon pass into the joint ownership and control of both Irish states, a consummation on which their respective Governments are to be congratulated. Thus economic necessity has been responsible for the first practical step towards the reunification of our country and made us realize that "we are all members one of another".

### A Dutch Invasion

THE question of Partition is, however, far from dormant. It has recently become an international issue owing to the visit of a Dutch naval air squadron to the Eglinton Air Base near Derry in Northern Ireland. Before their arrival Mr. Mac Bride, the Minister for External Affairs, announced that "any invitation by Britain to another nation to send its armed forces for training purposes to our country, and acceptance of such an invitation, can only cause deep resentment in Ireland". This resentment was increased by the British Admiralty's reference to Derry as "British soil". Diplomatic, but abortive, objections to the visit were made by Mr. Mac Bride to both the Dutch and British Governments. On January 18 Dr. Stikker, the Dutch Minister for Foreign Affairs, after referring to these objections, stated that in the opinion of his Government the Partition problem was one that concerned only Ireland and Great Britain. The visit had been arranged by the British and Dutch naval air forces as part of a training scheme under the Atlantic Pact, and although, after the Irish objection, another solution was sought, only the Eglinton training base had suitable training facilities. The last word had of course to be said by Britain. The only thing the Netherlands could do was deeply to regret the development. In Dublin pickets paraded in protest before the Netherlands Legation and the British Embassy, public meetings passed indignant resolutions and some business organizations announced that they would boycott Dutch produce. Sir Basil Brooke, the Northern Prime Minister, in a speech on January 19, described these protests as a "political manœuvre", welcomed the Dutch contingent, and reasserted the constitutional position of Northern Ireland as a component part of the

United Kingdom. The Irish Republic, he said, while denouncing Communism did nothing to resist it. There were incessant diatribes against Ulster and Britain, innumerable resolutions, and all the devices of opportunist propaganda. But of deeds answering to the grim necessities of the hour there was not a sign. In fact the Republic, by actions calculated to create friction among the Atlantic Treaty Powers, was helping the Communist cause.

On the night of January 23 a small bomb exploded outside the British Embassy in Mount Street, Dublin, damaging the windows. Fortunately no one was injured as the result of this outrage.

### L'Affaire Baltinglass

THAT public opinion is still powerful in Ireland has been proved by the recent outcry concerning the appointment of a sub-postmaster at Baltinglass, a small town in the County Wicklow. As is often the case, the position has been held by one family for many years, and during the last fourteen years Miss Cooke, a niece of the sub-postmistress who was an invalid, has carried on the work of the office to the satisfaction of all concerned. When her aunt retired recently everyone expected Miss Cooke to succeed her but the appointment went instead to Mr. Michael Farrell, a supporter of the Labour party and the son of a local publican. The townspeople immediately rallied to Miss Cooke's support. Pickets prevented the transfer of the telephone cables from her premises, the new Post Office was boycotted and angry debates took place in the Dáil. Mr. Everett, Minister for Posts and Telegraphs, and a deputy for the district, ignored the local protests, refused to cancel the appointment of Mr. Farrell, and under police protection had the cables removed to the new Post Office. Finally, however, realizing that discretion was the better part of valour, Mr. Farrell, in a letter which would have done credit to a Cabinet Minister, resigned the position; and in due course Miss Cooke was reappointed. This significant if relatively trivial incident has done the Government much harm. In other directions also they have lost ground and four of their parliamentary supporters have for various reasons announced their defection. With a majority of twelve this is a serious, if not necessarily a fatal, loss. If, however, the Government survives the second reading of Mr. Norton's ambitious Social Security Bill it may well run its full term. A general election is not due till the end of 1952.

Ireland,  
February, 1951.

# INDIA

## A YEAR OF THE REPUBLIC

THIS despatch leaves India at a moment when the country is celebrating the first anniversary of the declaration of the Republic, though Independence as such is more than three years old. But the Republic was proclaimed on January 26, 1950, when the work of constitution making had been finished. Apart from the customary ritual and rejoicing, it is also a time of stock-taking, of mild heart-searching and of looking for a sign for the future. To all these three tasks the nation's leaders, the press and the more thoughtful sections of the public are addressing themselves with obvious sincerity. In the forty months since Independence the first fine flush of political emancipation has given way to a soberer and more introspective mood. There is no yearning for the past; but there has been a gradual realization that in many practical fields achievement has fallen far short of the promises of the past, and that governments do not automatically progress from one triumph to another. Rather, in India as elsewhere, do they have to be pushed, prodded and otherwise induced to perform the quite ordinary functions which their subjects expect of them. Such are the beginnings of political wisdom.

By any test the three outstanding problems confronting India on this anniversary are the questions of what may be called the political succession, the recurrence of a food crisis and the future of Indo-Pakistani relations. They are mentioned in this order, not because it represents their relative importance in the scheme of things, but because it gives a certain chronological convenience to this narrative. Sardar Patel's death took place, not unexpectedly, in the middle of December and the event did considerably more than rob India of the services of a Deputy Prime Minister. Amongst other things it drew public attention to the slender thread upon which a large and heavy share of the total burden of administration had for long been suspended. More than that, it sundered the famous Nehru-Patel partnership which had been the cornerstone of the government of free India and which implied that, over a wide field, policy was very largely the creation and prerogative of two men. Whether it is a good thing or a bad thing, it is a fact that jointly the Prime Minister and the Deputy Prime Minister were responsible for the over-all supervision of a dozen Ministries and directly in charge of three of the most important of them. It is no disrespect to the other members of the Cabinet to say that the outside world had come to think of the Government in New Delhi as government by Mr. Nehru and Sardar Patel. The Prime Minister paid full tribute in Parliament to the happy collaboration in which he and his Deputy worked. The allusion to the empty seat next to his own on the front ministerial bench was no deft piece of word spinning. It was an unhappy reality, and the vacant chair is fully descriptive of the void that has been created in the councils of the country.

But the Sardar's demise also made it clear how much of the government

at the ministerial level is in the hands of old or aging men. Nor is this confined to the Centre. Looking round the States (former Provinces) it is possible to see more than one important reproduction of the Nehru-Patel partnership. Despite his sixty years the Prime Minister himself is still young both in heart and in body; though even he is beginning to show signs of the heavy demands that are made upon his strength and his time. But the historian of the future will take due note of the fact that by the time India attained her independence almost all the great figures of the freedom crusade had reached an age at which it was unlikely that many more years in the service of their country would be granted to them. As the average expectation of life goes in this country most of them have lived to a ripe old age, and with the passing of years their authority over the masses of the people has been maintained with remarkable fidelity. There are clear signs, however, that the times are changing, and that as each of the great captains departs from the scene the ties which held the Congress party and the people, and later the Government, together are growing weaker. Nor, if the truth be told, is there much evidence of men of a younger generation pressing forward to challenge their elders in the seats of authority, which is generally supposed to characterize a political society in robust health. In whichever of the several rôles which he filled—whether as Deputy Prime Minister, Home Minister or (perhaps most important of all) as Congress party chief—Sardar Patel's place in the scheme of things was unique. No one else in India—short of the Prime Minister himself—is likely to enjoy the same concentration of power in the foreseeable future.

### The Dearth of Rice

THE abrupt announcement in the third week of January of a reduction of 25 per cent throughout India in the individual's ration of rice and other food-grains confirmed what many people already suspected, namely that the food programme is once again running into very heavy weather. The over-all ration is now reduced from 12 to 9 ounces per week per head of the population, though those engaged in heavy manual labour will receive a supplementary allowance of 4 ounces over and above the basic weekly ration. Allowing for a run of bad luck, some of which is catalogued below, it is also clear that government complacency has made a contribution to the present emergency from which the only escape is by way of increased imports—though for months past the country has been told that it could, and would, be made independent of food imports in 1951. In recent months nature has destroyed more than 6 million tons of India's food. Madras has had its fourth lean year and the crop in that State is 1 million tons short, in a country-side completely devoid of stocks. Assam has had floods, landslides and earthquakes which, though they have affected few crops, have none the less disrupted communications and given the State Government an excuse to cover up ineffective procurement until, from being a self-sufficient and exporting area, Assam is now receiving several thousand tons of food from Central supplies. Kashmir has also had its floods, and has likewise become the recipient of Central bounty. In the Eastern U.P. the rains, having first created

floods, ultimately failed, so that the resulting crops are poor. Bihar has had a major drought, in which at least 2 million tons of food grains have been lost. Gujarat has had locusts. In Bombay the failure of the late rains has withered the rabi crop. In Bengal there was a mild drought followed by a storm, which damaged the rice just as it was ready to be harvested.

This is a gloomy picture of destruction and resulting deficiency, which could have only been arrested by a vigorous import policy. As it is, India, which is in any case a marginal purchaser in the world's markets, has been badly placed at the end of a queue of purchasers and the outlook is by no means reassuring. In a recent broadcast Mr. Munshi, the new Food Minister, who has inherited rather than created the present troubles of his Department, disclosed that arrangements are being made to purchase food grains from a number of countries and, amongst others, the U.S.A. has been requested to help with 2 million tons of foodstuffs on special terms. But apart from overseas procurement there is a transportation problem, and the growing scarcity of shipping to which the Minister alluded is clearly a limiting factor in any imports programme which the Government of India may be able to arrange. "Not a day passes without bringing its anxiety and ceaseless care", said Mr. Munshi, a pronouncement which is in sombre contrast to the confident predictions of a few months ago. The arrivals of imported food grains has been "maximized" and during the first three months of 1951 India "would have received" 918,000 tons compared with 305,229 tons in the corresponding period of 1950, presumably if everything goes according to plan and there is no hitch over shipping, which Mr. Munshi described as "precarious".

India started 1950 with an import target of 1½ million tons of food grains only; later the figure slowly rose to 3 million tons. A further revision has since brought the figure to 3·7 million tons, exclusive of the 2 million tons which it is hoped to obtain as either a loan or a gift from the U.S.A. India will only be justified in asking for this if it is used to supplement supplies or regulate prices as and when these things require to be done. But that is for the future; the emergency is in the immediate present, though Mr. Munshi foresees the months July to October as the critical period. It is estimated that the reduced ration will improve the over-all stock position at April 1 next by 200,000 tons, bringing the figure to 1,274,000 tons, thus providing in Mr. Munshi's words "a sure guarantee against the difficulties of the subsequent lean months in case our expectations of imports are not fulfilled".

#### Centrifugal Forces

**N**OT far below the surface of the food crisis (which, in its bearing upon the relations between people and government, may be likened to the winter fuel crisis in Britain) can be seen the centrifugal forces that are constantly at work between the States and the Centre. A cut of 25 per cent in an already meagre ration has not been accepted with a very good grace, and almost every State has found some reason or another why it should receive special treatment or complete exemption from an edict that is, to put it mildly, unpopular. But the Prime Minister and the Food Minister have

spoken of the need for equality of sacrifice, and at its forthcoming meeting the All-India Congress Committee is to make an appeal to the country "to face internal difficulties on a joint and co-operative basis, irrespective of party alignments". The fact is, however, that party alignments are comparatively unimportant; so far as food policy is concerned it is state boundaries, state loyalties and state jealousies that constitute the main drag on the wheels of the machine, though the removal of all these things would not, in present circumstances, convert a country-wide deficit into a surplus. The Centre suffers a further disability in that the machinery of food procurement and distribution is very largely operated by the States Governments and, certainly in the matter of procurement, the degree of co-operation which New Delhi receives from States administrations can easily be a decisive factor in the situation. Mr. Nehru's Government must at all costs avoid a repetition of what happened in 1943 and 1944, but judging by the response accorded in some States to ministerial exhortations from New Delhi there is little realization of the need for unity and understanding. For quite different causes the cloth situation is hardly less acute than the food emergency. On the one hand, Government has had to make good the shortage of raw cotton, due to the long suspension of imports from Pakistan, by purchases from Egypt and the U.S.A. On the other hand, textile manufacturers in Bombay, South India and elsewhere complain that the prices which they are permitted to charge for yarn and cloth are uneconomic, whilst the consuming public is being forced more and more into the black markets for its essential requirements of cloth. The country and the individual have more reserves of cloth than they have of food; but it would be unfortunate, to say the least of it, if something approaching famine were to prevail in both in a year in which it is hoped to hold the first elections under the new Constitution. The new electorate may not know, or care, very much about the refinements of the Kashmir or Korean problems; but they do understand something about the prices and availability of food and cloth. It is by these things that they will judge their Government, and indeed it is upon these issues that the Opposition will chiefly challenge the Nehru Government.

#### Pre-eminence of Mr. Nehru

BUt when everything has been said about deteriorating economic conditions, and the veering and uncertain political winds that may blow in the next few months, Mr. Nehru's own position in the counsels of the nation remains supreme, though it is probable that since the death of Sardar Patel his hold upon the Congress party is slightly less secure. Sardar Patel had an unequalled knowledge of the Congress organization, its rivalries and its personalities. It would be wrong to say that the Prime Minister and the party have grown away from one another in any vital sense; but it is wholly true to say that Sardar Patel was one of the main influences in keeping them together during a period in which both have been subjected to heavy strains. Even in the most mature and experienced democracy the precise relationship between the head of the Government and the party organization is difficult to decide or define. In this respect India has not escaped the dilemma of other

democracies, and in her case the problem has been complicated by the fact that Congress has grown up and come into office without a specific parliamentary tradition. But at whatever angle one looks at India Mr. Nehru remains the outstanding and dominating figure. Though the great mass of his countrymen are probably unaware of the finer points of the debate over events in the Far East, in which their Prime Minister is now heavily involved, the simple fact that he has made India a force in the Commonwealth and in the affairs of the United Nations is well known and immensely strengthens his personal position among the people. Indians are no longer second-class citizens of the world; in the diplomatic sense and as a great clearing centre of information and ideas New Delhi is probably the most important capital city in Asia today. Rightly, they judge this to be mostly Mr. Nehru's work. For these and other things much will be forgiven unto his Administration. Last month's Conference of Commonwealth Prime Ministers has left the Kashmir deadlock pretty much as it was. The precise measure of India's attachment to the Commonwealth is difficult to assess, but the failure of the conference to achieve a settlement over Kashmir has not affected it one way or the other. If Mr. Nehru says the Commonwealth is a good thing India is prepared to accept his opinion without question. The half-baked revolt in Nepal placed New Delhi in a difficult and delicate position, and her anxiety for tranquillity on her borders accounts for much of the firmness which she showed in subsequent negotiations with the Rana régime. Finally, the Ranas acceded to practically all India's requests, including even the restoration of King Tribhuvan. In return India undertook to use her influence to persuade the Nepali Congress volunteers to lay down their arms. Another limited experiment in democracy is to be directed from Khatmandu—a proposition which would have been unthinkable ten years ago.

Since last month's Commonwealth Conference there has been no further major move to regularize Indo-Pakistani relations and it is clear that Kashmir, which is the hard core of the problem, is as intractable as ever. But both countries stand in urgent need of a trade agreement which will give each much-needed commodities. A financial agreement was negotiated at New Delhi in December and has since been ratified by the Governments of both countries. Although limited in scope, it is heartening because complex financial adjustments have been found possible even while the rupee deadlock persists. Some claims were, indeed, difficult to settle, but negotiations have not been abandoned but left for further consideration. The recent improvement in Indo-Pakistani relations has been appreciable and extends to many departments of life on the sub-continent. Communal harmony in Bengal is maintained; a goodwill mission from East Bengal has come to Calcutta to persuade migrants to return and the Government at Dacca has made a grant to assist their rehabilitation. The conferences of Chief Secretaries have been uniformly successful and the Minorities Ministers have done excellent work. If only the same could be said of the central point of dispute—Kashmir—the outlook would indeed be happy.

India,

February 1951.

# PAKISTAN

## KASHMIR AND THE LONDON CONFERENCE

HOPES were perhaps entertained in some quarters that, in a world overshadowed by the Korean conflict and its threat to world peace, India and Pakistan would have recognized that the Kashmir dispute must yield priority to graver issues affecting the future of civilization. India was, to all appearances, happy to see the dispute shelved, but Pakistan's attitude was altogether different; indeed, it was India's very readiness to play for time to consolidate her hold over the all-important Valley of Kashmir that spurred the Pakistani Government to desperate efforts to compel the world to take serious notice of the matter. As the year 1950 drew towards its close, the tension all over the country rose steadily; people were asking whether the Commonwealth was going to prove a broken reed in its inability or its unwillingness even to discuss collectively a difference between two of its members which was weakening them to such an extent that it rendered them virtually incapable of playing an effective part on the world stage; looking beyond the Commonwealth they were asking whether the Security Council, which had shown no energy in implementing the agreed decision that the fate of Kashmir should be decided by a free and impartial plebiscite, should not be written off as an ineffective instrument for peace.

The rising tide of impatience even threatened to engulf the Government of Mr. Liaquat Ali Khan, not because the Government, and behind it the Muslim League, was not credited with fully sharing the universal anxiety over Kashmir, but because it lay open to the charge of having continued to follow the policy of co-operating with the Commonwealth and the Western democracies even after it was clear that this policy was not bringing the Kashmir plebiscite any nearer. Critics of the Government were beginning to clamour that Pakistan should quit the Commonwealth and cultivate the friendship of Russia. Mr. Liaquat Ali Khan had good cause to feel that his policy, and consequently his personal position, was being subjected to a grave challenge. It was against this background that he launched his bombshell in announcing that he would not attend the Commonwealth Prime Ministers' Conference unless assured that the Kashmir dispute would be discussed. Every day's delay in his departure, while the wires hummed between Karachi and London, served to heighten the drama and news value of the situation. This, of course, was exactly what Mr. Liaquat Ali Khan desired. The Kashmir dispute had, at last, hit the headlines in the world press, and Mr. Liaquat Ali Khan's stock began to rise swiftly in Pakistan.

It was not supposed that the Commonwealth Prime Ministers would be able to conjure up a solution or overcome Mr. Nehru's resistance to proposals, on the lines of those put forward by Sir Owen Dixon, for demilitarization of the State in preparation for the plebiscite. But Pakistanis were confident that their Prime Minister would be able to enlist the sympathy

of his colleagues for his cause, in the justice of which all in Pakistan believe fanatically, and to impress upon them the necessity of seeing that the Security Council did not continue to allow the matter to drift. This seems to be what has happened, judging from Mr. Liaquat Ali Khan's Press Conference held in London on the conclusion of the Prime Ministers' Conference and from the reports and comments in the British press, all of which are being read avidly in Pakistan. Mr. Liaquat Ali Khan has made it clear that he agreed to each of three alternative suggestions made by the Prime Ministers of the other Dominions, while Mr. Nehru rejected each one of them. From this the Pakistani press and public infer that the Dominion Prime Ministers must have found their leader both reasonable and co-operative and the Indian leader obstructive. They hope that world opinion will now confirm what they have themselves so long believed and asserted—that Mr. Nehru is (perhaps subconsciously) determined not to permit the creation of fair conditions for a plebiscite, because he dares not face the popular verdict of the Kashmiris.

The helpful attitude of the Dominion Prime Ministers has created a cautious and tentative reaction in favour of the Commonwealth. It is too early to say whether this will blossom into a conviction that membership of the Commonwealth may, after all, hold advantages which Pakistan could not secure elsewhere, or on her own. We have certainly not heard the last of anti-Commonwealth diatribes, and must be prepared to face a great deal more right up to the time when the Security Council, with the backing of Commonwealth members, takes some decisive step in the right direction. Pakistanis are, however, at least prepared to suspend judgment for the present, and to await developments at Lake Success. Should the Security Council, once again, postpone consideration or otherwise fail to act firmly, the Pakistani Government must be expected to make another dramatic bound. It may go to the length of severing the Commonwealth connexion, and some kind of move towards Russia will certainly be included in the programme. Mr. Liaquat Ali Khan's invitation to visit Moscow still stands open. There is also a very real danger that the tribes of the North-West Frontier will reopen guerrilla warfare in Kashmir. The leading *maliks* of the Mahsuds, Afridis, Mohmands and other tribes are on a visit to Karachi at the time of writing, and have expressed themselves on the subject in no uncertain terms. They were persuaded, they claim, to withdraw their warriors when the cease-fire came into force in January 1949, on the assurance that a plebiscite would be held within a short period; they regard themselves as having been duped and, if the Security Council fails to deliver the goods within a few months, will consider themselves free to reopen their *jihad*. The danger is that it may not again be possible to localize fighting, as on the previous occasion, even though both India and Pakistan are genuinely anxious to keep the peace.

The Pakistani Government has shown no concern over the Chinese invasion of Tibet. This does not bring Russia and her allies any closer to the borders of Pakistan, for—as is not always realized—Pakistan already has a common frontier with Russia on the northern boundary of Chitral. The

Pakistani Government has, of course, recognized the Peking Government, and has deputed a member of its Foreign Office as *chargé d'affaires* in Peking.

### The Constitution and the Muslim League

CONSTITUTION-MAKING still lags behind schedule. Interim reports of the Fundamental Rights Committee and the Basic Principles Committee were presented to the Constituent Assembly in October, but only the former was adopted. Its provisions for the protection of the rights of minorities were welcomed by the representatives of the Hindus from East Bengal, who form the official Opposition Party, and generally speaking the report was regarded as very satisfactory from the point of view of individual citizens of all communities. The Basic Principles Committee's report, on the other hand, gave rise to a storm of opposition. This came mainly from two sources: the *mu'llahs* attacked it on the ground that it failed to give the Constitution a sufficiently Islamic colour, while the people of East Bengal, always prone to suspect that the Central Government is inclined to treat their province as an outlying colony, objected to many aspects of the proposals. Their chief complaint was that the bicameral system had been so designed as to deprive East Bengal of the majority weightage to which it would be entitled on the basis of population; the province would, no doubt, secure its proper majority in the Lower House, styled the "House of the People", to which direct elections would be made on the basis of population, but this would be nullified by the proposal that each province, including even backward Baluchistan, should have equal representation in the Upper House, styled the "House of Units". Opposition assumed the dimensions of a full-scale agitation, fostered by disgruntled politicians, and at one time it seemed that a serious split between the Centre and the Province had occurred. The Central Government wisely bowed to the storm and postponed consideration of the report to enable its critics to advance their objections and suggestions in a calmer atmosphere.

During the past year the Muslim League had for various reasons lost a great deal of prestige and had become an easy target for criticism, if not vilification. Its position is now much stronger. This is mainly because the League Council, having revoked the ban on the holding of office by Ministers of Government, elected the Prime Minister as President of the League. There was some talk, in Opposition circles, of this as being tantamount to setting up Mr. Liaquat Ali Khan as a dictator, but the majority of the people welcomed the move, both because they felt that the Muslim League, which had brought Pakistan into existence, was still the prime motive power of the State, and because they saw no reason to fear that Mr. Liaquat Ali Khan's head would be turned. A threat to the League developed when the Khan of Mamdot, the ex-Premier of the Punjab, resigned his membership, having been defeated in the struggle for leadership in the Punjab, and set up a party of his own, presumptuously named the "Jinnah Muslim League". Two other disgruntled Punjabi politicians, who had been ejected from the Muslim League, also started a new party, called the "Azad Pakistan Party". Their

manifesto was much the same as that of the Khan of Mamdot, and it was thought likely that these two parties would before long combine with each other, and with Mr. Suhrawardy's Awami League Party. Conversations did take place, but personal rivalries could not be entirely overcome. The Khan of Mamdot and Mr. Suhrawardy were eventually able to combine to form a joint party styled "The Jinnah Awami Muslim League", but the Azad Pakistan Party retains its separate existence. It is not likely that either of the two parties will be able to offer a serious challenge to the Muslim League.

### The Battle for Jute

THE battle for the Pakistani rupee may be said to be won, and little talk is now heard of the possibility of devaluation. Six months ago, no doubt, this had seemed inevitable, but the rapid change in world conditions has entirely altered the situation, and even the sternest critics of the non-devaluation experiment admit that there would now be no point in giving further rein to inflationary pressure by bringing down the value of the rupee. As a matter of fact, towards the end of 1950, the battle for the rupee became simply the battle for jute: it was clear enough that Pakistan would have no difficulty in disposing of her remaining crops at favourable prices, but it remained to be seen whether the oversea demand for jute would absorb the crop in the absence of buying from Calcutta. A sort of endurance contest developed between the Pakistani Jute Board and the Indian Jute Mills Association, but by the middle of December it became evident that the former was in a position to hold out longer. A keen foreign demand developed, and shipping facilities were improved with the opening of the new river port at Chalna, on the Pussur river, which has reduced the pressure on the Chittagong port. December shipments of jute reached record and, with half the jute year gone, well over half the jute crop was disposed of. The Indian jute mills, on the other hand, were showing symptoms of acute discomfort, with the result that the Government of India, which only in September had rejected overtures from Pakistan, felt compelled to approach the Pakistani Government with proposals for another short-term trade agreement. The latter, it is understood, has now replied that the rupee ratio must first be recognized.

Sensational developments took place in the Karachi cotton market. The Pakistani rupee proved so little of an obstacle to foreign buyers that prices began to get seriously out of hand, and growers and ginners were lured by the higher prices into trying to avoid honouring outstanding contracts. To steady the position, Government increased the export duty in October from Rs.60 to Rs.180 per bale. Even this was of no avail, and the crisis continued, with the result that in the following month the duty was raised to Rs.300 per bale. This drastic action had the desired result in reducing the margin of profit available for producers and ginners, but imposed an intolerable burden on foreign buyers: no exemption was allowed in favour of outstanding contracts and, as in almost all contracts the duty was at buyer's risk, the whole burden fell upon them. In the long term this may do Pakistani cotton no good, for foreign spinners are not likely to forget the way they have been

treated by the Pakistani Government; meanwhile, however, it must be conceded that Government's action has had a healthy effect on the cotton market, as well as bringing in a wholly unexpected windfall of about Rs. 24 *crores* for Central revenues.

Luck has, as usual, been on Pakistan's side in her economic affairs, and a boom prevails. At the same time, it is beginning to be recognized in Karachi that there is another side to the picture. Near-war conditions do, no doubt, create an insatiable demand for raw materials, which puts a primary producing country in a commanding position, but they also create scarcities of iron and steel, non-ferrous metals, and other materials, which such countries have to import. The Pakistani Government seems to have suddenly become aware that these scarcities may seriously prejudice the industrialization programme, and is joining—perhaps too late—in the rush to stockpile. Even where exports are concerned, the growing shortage of shipping may gravely hamper the disposal of Pakistan's produce. The outlook is thus not altogether rosy, and conditions are none too favourable for the launching of the National Plan, that is to say, the six-year development programme which forms part of the Colombo Plan.

The National Plan calls for the expenditure of Rs. 260 *crores* in six years. Agriculture (including irrigation schemes) absorbs the largest share, with 32 per cent. Transport and communications account for 20 per cent, mainly to be spent on improving railways and developing ports. Fuel and power (mainly hydro-electric development) account for 18 per cent and industry and mining (excluding coal) for 19 per cent. The remaining 11 per cent goes to "Social Capital", under which head education, including technical training, is far the most important item. The programme is not unduly ambitious, but the financial aspects present some anxiety. Of the total expenditure of Rs. 260 *crores*, Rs. 220 *crores* are to be provided by public investment, and Rs. 40 *crores* by private investment (chiefly in the jute and cotton textiles industries). Internal financial resources are expected to provide Rs. 120 *crores* for public investment from private savings, which Government expects to be able to tap by borrowing, and Rs. 50 *crores* from public funds. The balance-of-payments deficit over the whole period of the plan is estimated to work out at Rs. 135 *crores*. This will be met to the extent of Rs. 15 *crores* from the sterling balances, while the remaining Rs. 120 *crores* are to be provided by other external finance in the shape of loans from the International Bank, assistance from governments overseas, and private investments from overseas. The weak link in this chain is, perhaps, the amount expected to be available for public investment from private savings. The mounting cost of living, together with the crushing level of taxation, leaves little scope for savings, and the Public Investment Inquiry Committee may have been a little optimistic in estimating that the rate of savings will be about Rs. 20 *crores* annually. As a pointer to the amount of money available for investment, it may be mentioned that the development loans so far raised by Government have attracted Rs. 82 *crores*.

Pakistan,  
February 1951.

# CANADA

## AN ATLANTIC POWER TURNS WEST

WHEN war broke out in Korea in June 1950 it took Canada, like most other nations, completely by surprise, but to Canada it presented immediate problems not shared by all to the same extent. Though its wealth and population are concentrated much closer to the Atlantic than to the Pacific seaboard, a glance at the map shows that geographically the country is as much a Pacific as an Atlantic Power. In spite of this Canada is predominantly an Atlantic-minded country. Apart from its colonial origins, its immigration and, in the early stages, its capital came largely from Europe and, twice in this century, its men have gone to Europe to fight in wars. Nationally Canada looks eastward as much as southward, but it rarely looks across the Pacific at all.

Its post-war foreign policy has given every evidence of this fundamental attitude. Concentration of both interest and policy has been in the North Atlantic area; its Government was one of the prime sponsors of the North Atlantic plan, of which the present Prime Minister, Mr. St. Laurent, was one of the chief architects. Foreign policy and defence planning alike were built on the theory that the immediate source of the next important trouble was likely to be a consequence of Russian activity in Europe or—though less probably—in the Middle East. Canada was interested in the Far East and had insisted on a voice, or at least a seat, in Allied councils there. But Cabinet Ministers and government officials alike joined the man in the street in the belief that Far Eastern operations were remote, unlikely, and unimportant compared with the kind of commitments in which the country was likely to be involved in the Atlantic area.

The Korean war brought a sharp and, to most people, a confusing addition to Canada's international thinking. In the first place, one of the significant differences between Canada and the United States is that the American is keenly conscious at all times of the Pacific area and that many Americans consider Europe a theatre secondary in importance to the vital interests of their country in China and Japan. The fact that Canada shares the North American Pacific seaboard with the United States must always affect official thinking in Ottawa even if the average man ignores it. Secondly, the Canadian membership in the Commonwealth with its heavy Asiatic representation meant that Korea involved us, if not in commitments, at least in responsibilities no less important because of their vagueness. Finally, the Korean war galvanized the United Nations into action and support of the United Nations has been for Canada, in a very special sense, the keystone of its foreign policy. It has had this significance because it has been the best way of demonstrating to the once intensely isolationist French Canadians that foreign commitments did not flow solely from Canada's historic connexion with the British Empire. Policy organized and carried through under

the aegis of the United Nations is less unpalatable to Quebec than an imperial policy that can be most easily defended by appeals to a traditional bond.

It was therefore not surprising that on June 26 Mr. L. B. Pearson, Secretary of State for External Affairs, made a prompt statement to the House of Commons, which was then in session. He read the resolution passed by the Security Council at Lake Success the day before. When he was asked whether the new situation did not alter the Government's views on the creation of a Pacific defence council, he replied that it did not, that the situation in the Pacific was different from that in the Atlantic. But, he continued,

This does not mean that we are not aware of the importance of collective defensive measures in the Pacific, just as we are in the North Atlantic. We are also quite aware that developments in the Pacific at this time centering around Korea might make this a most realistic matter for consideration.

Two days later, on June 28, he reported President Truman's decision to give the South Korean army cover and support and also read to the House the Security Council resolution recommending that members of the UN should furnish such assistance to South Korea as would restore peace in the area. Next day, in reply to questions, he said that Canada stood with all those nations which had accepted the Security Council resolution and that the Government was discussing at home, in Lake Success and in Washington how best "to concert our effort in this matter".

On June 30, just before Parliament was prorogued, the Prime Minister himself made a statement:

If we are informed that a Canadian contribution to aid United Nations operations, under a United Nations commander, would be important to achieve the ends of peace, then the Government wishes Parliament to know that it would immediately consider making such a contribution.

He went on to say that such a contribution might take the form of destroyers to operate with other naval units of the United Nations. Three destroyers, he said, destined for summer manoeuvres in European waters, were being dispatched instead to Hawaii where they would be nearer the scene of action, if Canadian action were required. He added:

If the situation in Korea or elsewhere, after prorogation, should deteriorate and action beyond that which I have indicated should be considered, Parliament will immediately be summoned to give the new situation consideration.

#### Opinion and Action in the Recess

THE following five weeks were both decisive and critical in the development of Canadian policy. It was not developed in Parliament, which was prorogued, and Cabinet Ministers themselves, exhausted by their sessional activities, were in the main on holiday and only in and out of the capital. But the rush of events would not wait upon the vacation aspirations of the Government. On July 14 the Secretary General of the United Nations announced the urgent need of assistance to South Korea and sent a message to all the nations which had supported the Security Council resolutions to date. The telegram to the Canadian Government requested Canada to examine

its capacity to provide an increased volume of combat forces, "particularly ground forces". The Cabinet met on July 19. It was to discuss not only Mr. Trygve Lie's telegram but also a violent bombardment of messages from Washington through many channels expressing open disappointment at the lack of response by UN member states and requesting with an urgency that was all but peremptory some positive and adequate action from Canada.

The Cabinet, by all accounts, was not immediately able to make any clear-cut response. Its military advisers thought the American attempt to put an army into Korea, to put it mildly, ill advised. This worried some members of the Cabinet, while others urged such extreme caution in making decisions that they appeared to be the reincarnation of the old isolationism. In these circumstances the decisions made were in the nature of tokens. The three destroyers were ordered to proceed from Hawaii, which they had just reached, to Korean waters and place themselves under the newly appointed UN commander. In addition a transport squadron of the R.C.A.F. was ordered to service on the North Pacific ferry route. Mr. St. Laurent also said that, if the Security Council decided to recruit an international force for UN service, the Government would give "immediate consideration to Canadian participation", though any participation would require approval by Parliament.

Public opinion was meanwhile asserting itself. The first reactions of the press to the Korean crisis had not indicated any general belief that Canada should involve itself, and the French Canadian press had, to all intents and purposes, ignored it. But, as time wore on, and the Korean news got worse, the English-language press began to warm up, and English-speaking Canada began to assert itself more and more. This strengthened the hands of the interventionist Ministers, and Cabinet discussions became more clear-cut. The reference to the creation of an international force was the result of discussions about the possible creation of a Commonwealth division for Korean service. The Government's attitude was that direct UN action would get a more favorable response from the country as a whole than a suggestion for a united Commonwealth contribution to the UN.

On August 7 the Government took the plunge and announced authorization of an additional army brigade, to be known as the Canadian Army Special Force, to be made available in carrying out Canada's obligations under the UN Charter or the North Atlantic Treaty. It also announced a general acceleration of defence production with special reference to fighter aircraft. Parliament re-convened at the end of August primarily to try to settle a national railway strike, but the occasion was seized to obtain ratification of the new program and to vote additional sums for defence—an increase of about 35 per cent. over the sums voted at the previous sessions of Parliament, plus a vote of \$300 million to provide arms for Canada's North Atlantic allies.

It had therefore taken Canada all but seven weeks to come to its final decision. The situation, however, had not been easy. Before the Korean incident began, though Canada had the largest peace-time armed forces in its history, it had virtually no combat team. About 47,000 men were in the three services, Army, Navy, and Air Force, but only a handful of ships and

air squadrons were in commission, and the army striking force was composed of a specially trained brigade of parachute troops (not up to full strength) designed to repel possible diversionary raids in the North should full-scale war break out between the Soviet Union and the free world.

### Raising the Special Force

**A**N immediate response to the UN (and American) request for land forces would have completely denuded the country of its trained men. This was not understood abroad, nor was it adequately understood even at home. In addition, Canada's traditional weakness in war-time has always centred upon the provision of troops for overseas, a weakness the roots of which lay in Quebec's opposition to conscription in 1917, an opposition unduly cultivated since then by all political parties.

There were mutterings about the technique finally devised. It was pointed out that, henceforth, Canada would have three armies: its active army, its reserve army, and its special force. Cynics remarked that the way for a young man to avoid going to war was to join the active army, but these criticisms did not last long. The public response to the appeal for recruitment of the Special Force was excellent, Quebec providing its proportionate ratio in the total raised. More than 10,000 men joined up in a few weeks, thus giving the brigade a year's reinforcements. The Government also, after a short delay, transferred into the Special Force a thousand trained men from the active army, thereby hastening the day when it would be ready to take the field, and proving that the Defence Department had an elasticity in its plans which some had begun to doubt. The authorized ceilings of the regular forces were increased, and, though not many men came forward, the total active services, including the Special Force, stood at 62,000 at the end of 1950. By that latter date public discussion was beginning, which will doubtless grow, as to whether voluntary enlistment is an adequate means of recruitment in a country prospering under an unprecedented industrial boom and a condition of full employment. The Canadian Legion was demanding compulsory service for part-time training in the reserve army, and there were other signs that Canada might soon have to face a full-dress public debate on the desirability of the draft system of recruitment.

Meanwhile Canada, through its able Secretary of State for External Affairs, Mr. Pearson, was carrying its full share of the debates in the UN General Assembly. On September 27 he recited five essentials for what Canada would consider a sound Korean settlement: (1) establishment of a free and united Korea by the United Nations; (2) UN assistance in that task, including provision of armed help to give the new Korea security from aggression; (3) freedom of the new Korea from outside domination, no foreign bases on Korean soil; (4) assurances that the new Korea will not be used by anyone as a base from which aggression can be launched elsewhere in Asia; (5) full advantage to be taken of the judgment of other states in Asia and the Western Pacific in advising the new Korea on its course.

These suggestions were, of course, made in the flush of General MacArthur's success in the Inchon landings. Mr. Pearson's later negotiations were

conducted in the light of military operations which had gone wrong, and in December he was appointed one of a Cease-Fire Committee of three, appointed by the General Assembly to attempt to bring the fighting in Korea to a halt. During the summer, in a public speech, he had indicated that, though there was much to be said in favor of granting Communist China a seat in the United Nations, there was no intention of permitting ourselves to be brow-beaten into it. On December 5, in a radio address, he said:

In all the discussions of this problem which have taken place at Lake Success, in Washington, in London and elsewhere we have consistently urged that moderation and a sense of global strategy, both military and political, should be our guide in deciding at what point military operations should be broken off and the work of pacification and reconstruction begun. . . . In this (present) dangerous situation, it remains our view that if and when the military position is stabilized, we should try to begin negotiations with the Chinese Communists by every means possible. . . . If, for example, providing the military situation is stabilized, there could be a cease-fire followed by negotiations—possibly covering more subjects than Korea—in which the Chinese Communists would participate, there might still be the hope of reaching such a settlement.

This speech, though it was attacked as "appeasement" in some quarters in the United States, provides strong evidence that Canada, in the Far Eastern crisis, was not playing the rôle of an American stooge. There is, indeed, a good deal of behind-the-scenes evidence to add to the public record, that Canada remains, in spite of Far Eastern happenings, primarily concerned with the North Atlantic and European theatres of action; and that its influence in the crisis here described has been closer to that pursued by the United Kingdom than to that followed by the United States.

Whether this broad identity of purpose will be followed in the implementation of the Colombo Plan remains to be seen. Canada participated in the Colombo, Sydney and London conferences which preceded publication of the Plan last December. This may well constitute a moral obligation to play a part and, as a North American dollar country, its decision may influence any decisions Washington may be asked to make in working out the finance of the Plan. Canada, moreover, as a full working partner in the Commonwealth, may find it virtually impossible to stand aside.

But at Ottawa there is grave concern over both the desirability and the practicability of participation. The Canadian foreign-exchange position has greatly improved over the last six months, but accounts barely in balance do not leave any very large surplus for outside credits, and the substantial program of arms assistance to the North Atlantic partners, begun in 1950 and certain to be carried on in 1951, may not leave much available. Certainly, so far as can be ascertained, government discussions of the Plan have not been wholly harmonious. What seems most likely is that Canada will make a substantial contribution eventually, but it will be on a scale which will not prevent the implementation of other aspects of our foreign commitments.

Canada,  
February 1951.

## AUSTRALIA

### LABOUR AND COMMUNISM

IN our chronicle of last September we gave a summary of the anti-Communist legislation and of the deadlock which it had caused in the Federal Parliament between the Government-dominated House of Representatives and the Opposition-dominated Senate: we concluded by suggesting that the political atmosphere had been so changed by the Korean War that the Labour party's decision to press its proposed amendments, even at the cost of a double dissolution of the Houses and a general election, might be modified. This prediction has since been fulfilled.

Ever since the legislation was introduced in April 1950, a group of Labour members has advocated acceptance of the Government's measure. This group was led by Victorian members, all of them Roman Catholics and bitterly anti-Communist; after the Korean War started these men redoubled their efforts to change the attitude of their party. It was clear that in the Federal Parliamentary Caucus of the Labour party the influence of Mr. Chifley and Dr. Evatt, both of whom were and remain opposed to the principle of this legislation, was sufficient to ensure that the decision to oppose the Bill would be maintained. Under the constitution of the Labour party, however, the supreme policy-making body, between the triennial party conferences, is the Federal Labour Party Executive; this consists of two representatives from each of the six State Labour Party Executives. It is not necessary that any of the members of the Central Executive should be members of the parliamentary party and at present membership of the Executive includes only two parliamentarians, neither of them senior in caucus rank. The Executive usually invites the leader of the parliamentary party to attend its meetings, but he has no vote. Several members of the Executive are Secretaries of State Labour Parties, and several are members of State Parliaments, so that although the group as a whole is curiously remote from Federal politics, it may on this issue have judged the opinion of the people better than the parliamentary leaders. Meetings are held in Canberra; there the members are subject to a good deal of lobbying by the Labour parliamentarians. Whether this pressure can be effective, however, depends primarily on the attitude of the State Labour Party Executives. The Central Executive members regard themselves as in the strictest sense delegates of the State Executives, which may bind them by specific mandates, or may give them some degree of discretion. There is no provision for a casting vote; on an equal division, the motion is lost. It is ironical that the Labour party, which favours the abolition of the Federal System, should have a structure which so jealously protects the rights of the State parties and which gives no formal expression at all to any "national" sentiment as such.

In May 1950 the Central Executive had endorsed, without apparent dissent, the decision of the parliamentary caucus to insist on the amendments to the

anti-Communist Bill which we have previously summarized. It is very unusual for such a decision to be reversed, but the untiring pressure of the dissident group in the party to reverse the May decision was reinforced by the many and undoubted signs that the Government would probably win an election on the issue. The Victorian and Queensland State parties led the demand for a change in policy. They procured a special meeting of the Central Executive in September, at which the Tasmanian delegates supported them; New South Wales, South Australia and Western Australia continued to support the Chifley-Evatt policy of pressing the amendments even if that should lead to electoral disaster; this meant that the previous resolution stood, but the dissidents were encouraged to redouble their efforts. The parliamentary party was by now bitterly divided on the issue, and the Labour majority in the Senate stonewalled the Bill by putting other measures on the notice paper, so as to postpone taking the step which would give the Government the occasion for a double dissolution. This provided the opportunity for the anti-Chifley group to procure yet another meeting of the Central Executive, which was held on October 16. New South Wales and South Australia remained resolutely in favour of fighting the legislation; Victoria, Queensland and Tasmania again strongly favoured letting it pass. The Western Australian delegates had come with some degree of discretion, and at first attempted to have the final decision left to the parliamentary caucus, but the Chairman ruled this proposal out of order on the ground that the question must be decided, under the party constitution, by the Central Executive itself. The Western Australians then reversed their previous attitude, and provided the necessary majority in favour of letting the Bill pass. The Chairman (from New South Wales) then ruled that this decision was out of order, on the ground that the last Triennial Conference, held in 1948, had passed a resolution declaring that it was contrary to party policy for any political party to be proscribed by parliamentary action. The Chairman was overruled, on the ground that the resolution in question did not refer to a situation like the present.

The decision was immediately and without question accepted by the parliamentary party, and Mr. Chifley made a personal appeal to Caucus to forget the animosities which the long-drawn-out dispute had caused. There were some suggestions that the Labour party would split on the issue, or at least that Mr. Chifley and Dr. Evatt, who had spoken so vehemently against the Bill, and Senator McKenna, who had led the fight against it in the Senate, could hardly keep their senior positions in the party after such a climb-down. Mr. Menzies described the episode as "surely the most abject surrender in the history of the once great Labour Party". Actually, there has been no sign of a party split, but it seems possible that Mr. Chifley's prestige has declined somewhat in the process.

#### Constitution of the Labour Party

THERE has been much comment on the spectacle of so important a parliamentary decision being determined absolutely by the resolutions of an outside body. Leaving aside the temporary politics of the situation, it is

certainly disquieting that such an important political body as the Labour party should be governed in this matter by so curiously chosen a body as the Party Central Executive. There can be legitimate differences of opinion over the general question of party and caucus discipline. Doubtless the old ideal of free decision of national questions as the result of open debate in Parliament, each man making up his own mind on the merits of the case, had a great deal to recommend it. In practice, however, it is clear that such a process tends in modern countries to produce fragmentation of parties, shifting personal combinations and intolerable political instability. Strong disciplined parties seem on the whole preferable, and a man who will fight for his views within a party, but will finally and graciously accept the party decisions, may be as good a man, citizen and statesman as the "strong men"—frequently mere egotists—who insist on going their own way. Hence if the constitution of a party is itself reasonably democratic, and gives reasonable play to the opinion of the men whom the electors choose, one can accept with equanimity a good deal of decision on current questions outside the precincts of Parliament. Indeed, there is something to be said for the formal organization of such decision-making.

But the vice of the present Labour party procedure is that the Federal Central Executive contains no representatives at all of the parliamentary party as such; if any happen to be on it, they have to ignore the views of Caucus as well as their own views and give sole effect to the opinions of six State-party executives whose members may not be well qualified to judge national issues. The system has not in recent times produced major abuses, because during the long period of Labour rule in Federal politics two men with outstanding gifts of leadership—Curtin and Chifley—dominated the counsels of the party, and the Central Executive was never called upon to interfere with them or with Caucus. There can be no doubt that in the present instance the Central Executive showed more political sense than the parliamentary party. The public-opinion polls showed support for the Labour party dropping steadily from May to October, but since rising very markedly (though with the Government still holding a small lead). Nevertheless, one cannot feel comfortable about a state of affairs which threatens to bring about irresolute and irresponsible government, and which involves almost a contempt for the parliamentary institution.

The Central Executive announced its decision of October 16 in a manifesto which gives two reasons for the change of policy. The first is that the party was being falsely accused of identifying itself with the Communist party, and the second that the Menzies Government was using the situation to postpone giving effect to its electoral promise of dealing with Communism. The manifesto argued that if the Government had really wanted to take prompt action against the Communist party, it could have done so under the Crimes Act as soon as elected, or could have accepted the Labour amendments to the Bill the previous June. Although these excuses were lame, it is probably true that the Government was politically disappointed at the Labour change of front: it wanted to have a double dissolution on the Communist issue, which it regarded as a golden opportunity for obtaining a sweeping electoral victory

in which either the obstructive Labour majority in the Senate would be wiped out, or at the least the parties would secure equal representation in that House and the Labour Senators would be reduced to a more chastened mood. Instead of a possible major political victory, the Government has had to be content with a major moral one. The Central Executive also decided that if returned to office while the anti-Communist Act still stood, the Labour party should amend that Act as it has previously proposed. The Executive further instructed the party to press its amendments to the Government's Commonwealth Bank Bill so as to prevent the creation of a Bank Board; thus the possibility of a consequent deadlock on this measure and a double dissolution still remains. From the Government's point of view, however, this is not a good issue on which to fight a general election; nothing short of a landslide against Labour would justify the disturbance and cost of an early election, since nothing less than that could materially alter the position in the Senate.

Immediately the Act became law, the Communist party and a number of trade unions with Communist majorities on their executives began suits in the High Court to have the legislation declared invalid; interlocutory injunctions were obtained to prevent execution of the statute until these suits should be determined, although the terms of the injunction permitted the Commonwealth to seize and hold large quantities of documents. These suits are at present *sub judice*.

### The Conciliation and Arbitration System

ON October 13 the Commonwealth Court of Conciliation and Arbitration handed down its decision in the basic-wage case,\* which had been in progress since February 1949. Foster and Dunphy JJ. held that the basic wage should be raised by £1 per week, and that female wages should be raised from an average of 54 per cent to an average of 75 per cent of male rates. Chief Judge Kelly dissented, holding that, in the present state of inflation of the national economy, the public interest demanded that wage rates should be kept stable. This decision has been received with mixed feelings. The unions were claiming a basic rate of £10 per week, whereas the new rate will be about £8; even the employing interests not opposed to the increase as such dislike the reorganization, application for variation of awards, and so forth, which it entails; the Commonwealth Government could not but regard the addition of about £250 million to the national wages bill as a fillip to the inflation which is its chief political danger. Nevertheless, everyone accepted the decision with resignation. It has not brought about industrial peace, but there probably would have been even more industrial unrest without it. The Court took the opportunity of reporting with sorrow that its decision in favour of a forty-hour week had not produced industrial peace either, nor had production per man been maintained. Nevertheless, the majority had little difficulty in showing that business profits were so buoyant, and the wages actually paid under full employment so high, that it was difficult for

\* This subject was referred to in THE ROUND TABLE, No. 156, September 1949, p. 378.

the Court to deny a formal alteration in the wage structure. Whether this will actually raise real wages is very doubtful.

These two great cases, occupying three years of hearing, have concentrated attention on the Court's rôle as the authority deciding general questions of major importance in the national economy. It was never intended that the Court should fulfil such a function and it is still the case that, as a matter of form, the Court can concern itself only with the settling of industrial disputes between States. Thus the decision in the basic-wage case can become effective only by a cumbrous process of separate applications by dozens of unions for the variation of hundreds of awards. Nevertheless, the Court has been obliged, in the development of its industrial jurisprudence, to place some concept of the public interest first in the decision of such crucial questions as the basic wage and standard hours. In the basic-wage case the Chief Judge was prepared to treat the Court as one of a group of governmental agencies whose chief economic task at present is to check inflation. The other judges considered that the checking of inflation was a job for the other agencies of government, and that the Court could consider only whether the national economy could afford a higher basic wage and whether industrial peace and some very vague sentiment of industrial justice would be served by granting it. The Chief Judge's view appeared to be based on the assumption that the other major agencies of government are in fact fighting inflation effectively and in doing so are prepared to take the Court into their confidence. Actually the Commonwealth Government declined to give the Court any lead one way or the other, although it was an intervenor. (In the forty-hour-week case the Commonwealth had supported the unions, but of course that was under a Labour Government.) Broadly the majority decision is not based upon any precise scientific reasoning, neither can it be attacked by any such reasoning. It is probable that in the circumstances no decision could be based on scientific analysis without any arbitrary elements.

The other function of the arbitration system—the settling of particular industrial disputes—is at present chiefly the job of the Conciliation Commissioners under the Federal system, or of the State arbitral tribunals. The statistics of man-hours lost per year since 1945 suggest that the conciliation system is neither a dramatic success nor a miserable failure. While the Court has been preoccupied with the long hearings on basic conditions, the Commissioners have efficiently attended to a great deal of the detail of the system. However, it has always been the view of the Liberal and Country parties that there should be at least a limited right of appeal from the Commissioners to the Court, so as to preserve uniformity of general principles. The circumstances of a recent train strike in Victoria and South Australia have now created some union sentiment in favour of a right of appeal, and illustrate well some of the fundamental dilemmas of the whole arbitral system. In September 1950 the goods guards in Victoria went on strike over some questions of overtime and time between jobs. This being an industry subject to Federal awards, the strike, as such, was not illegal, although the long-term policy of the Courts, Federal and State, has been to refuse to lend their assistance to unions which resort to the strike weapon. Victoria having a Country

party government in office by grace of the Labour party, and the railways being a State instrumentality subject to a good deal of political pressure, the Victorian Railways Commissioners settled the strike by an agreement granting the men's demands, but on condition that the agreement was approved and registered by a Conciliation Commissioner under the terms of the Federal Conciliation and Arbitration Acts. When the agreement came before a Conciliation Commissioner, he at first claimed that he had no jurisdiction in the matter because it affected standard hours. Persuaded that this was wrong, he then refused to approve the agreement because he considered it against the public interest; he considered it such because, first, it had been obtained under the duress of a strike; secondly, the concession was opposed by the Railways Commissioners of the other States, who of course would soon be compelled to give the same concessions if the Victorian men obtained them; thirdly, the Railways could not afford it, being in deficit; and lastly, the inflation argument was brought up. On October 15 the Victorian Branch of the Railways Union—the Branch Secretary, who is also Federal President, is a leading Communist—called a general railway strike in Victoria as a protest. The case came several times before the Commissioner, who refused to alter his attitude, and the Court, which decided that it had no jurisdiction in such matters. The Communists in the union attempted several times to extend the strike, and on October 22 the South Australian railmen came out. There were sympathetic one-day stoppages in other States, but the Australian Council of Trade Unions, with an anti-Communist majority, opposed the Communist attempt to tie up industry over the issue. The strike finally collapsed in December with no decisive result—the Victorian Government still promising what it had promised before, and the parties still uncertain whether the promise could be carried out.

### The Question of Registration

ALTHOUGH the Commissioner had power to refuse registration of the agreement, his refusal was unprecedented. The power to refuse registration was originally inserted in the Act to protect weak unions against onerous conditions in negotiated settlements, such as provisions by which they undertook not to apply to the Court for alteration of terms during a specified period. During the Second World War, Conciliation Commissioners became accustomed to scrutinizing consent settlements to make sure that wage-pegging and man-power regulations were not infringed. Since the abolition of wage pegging they have reverted to the earlier practice of leaving questions of economic policy to the parties. In this case, however, we find a Commissioner subordinating the settlement of a particular dispute to the carrying out of some general principle of public policy—the discouraging of strikes and of inflation. His decision, moreover, is without appeal. Thus we find the economic planning functions of the system spilling over into its dispute-settling functions, to the frustration of both sets of objectives. It is a frequent dilemma, for which there is probably no final solution.

But the case draws attention to yet another dilemma of the system. Why should the Victorian Railways require the protection of a *registered* agree-

## AUSTRALIA

ment? The Federal Court has always insisted that (war-time wage-pegging apart) its awards are minima, and that men have the utmost liberty to obtain as much more than that as their collective or individual bargaining capacity can reach. But inflation and the rapid growth of new industries and services have so distorted the economy that many basic industries cannot afford to compete for free labour in open markets. The railways cannot obtain adequate labour because of the rates above award rates offered in other industries. Railways Commissioners, already having to come to Parliaments for heavy subsidies in order to keep going, naturally need to be able to show that they are paying out no more than the law requires them to pay; hence the insistence on a registered agreement which has the legal force of an award. It seems that the Australian system of compulsory arbitration of industrial disputes, while in general not less successful than the American knock-down system of collective bargaining, is particularly ill-adapted to the circumstances of a gross labour shortage and an acute monetary inflation. But we must not let its deficiencies as a planning instrument, and its frequent inability to discipline Communist-led unions, blind us to its merits. It does operate to prevent strikes over a wide range of industries—particularly in the localized and craft trades amongst which strikes are particularly frequent in the U.S.A.

Australia,  
February 1951.

# NEW ZEALAND

## DEATH OF THE LEADER OF THE OPPOSITION

THE whole Dominion mourned this month the death on December 12, at the age of 66, of the Rt. Hon. Peter Fraser, P.C., C.H., M.P., Leader of the Opposition and former Prime Minister of New Zealand. Early in October attendance at the funeral of an old Wellington resident brought on a chill that resulted in pneumonia and other complications. A heart attack brought him close to death's door and for a while his recovery was despaired of, but he rallied so well that hopes were entertained of his being back in Parliament next June. A second heart attack, however, proved fatal.

Mr. Fraser held so distinguished a world record—he has been called one of the architects of the United Nations organization—that adequate accounts of his remarkable career are sure to have appeared in all parts of the Empire long before the publication of this article. Extracts from the tribute paid by our Prime Minister to his old opponent and friend must suffice.

In the passing of Mr. Fraser New Zealand has lost one of its most distinguished and famous men, and I have lost a personal friend, for whom I had the greatest respect and esteem. . . . His leadership during the war, with his ready acceptance of a heavy burden of responsibility, and the worthy part he played in the councils of the nations, were high lights in his notable career. Throughout the war he unceasingly served his country, the Empire and the Allied cause. A great lover of peace and a champion of democracy, he played a distinguished and significant rôle in the assemblies of the United Nations. Always he had before him the ideal of international understanding, tolerance and goodwill, and during a lifetime of selfless public service he contributed much to the furtherance of that ideal. New Zealand's name stands high in many countries outside the British Commonwealth, and it is true to say that no one has done more to enhance New Zealand's reputation throughout the world than Mr. Fraser. In domestic politics his sincere belief in the principles he advocated helped to make him an able and distinguished leader and a redoubtable political opponent. He had a searching and penetrating mind, and an ability to reduce complex matters to their essentials. His wide search for knowledge gave him a profound understanding of mankind, and his tolerance of other people's views gained him the respect of all sections of the community.

He will be sadly missed by all New Zealanders, European and Maori. The Maori people will have feelings of special grief because of his close association with them and of his understanding of their problems. Today, New Zealand mourns the passing of a great man.

### The Waterfront

THE Royal Commission\* to make a comprehensive enquiry into the waterfront industry and a full report thereon was duly appointed with a membership to which no possible exception could be taken and a comprehensive order of reference, covering all relevant matters. The Waterside

\* See *THE ROUND TABLE*, No. 161, December 1950, p. 103.

Workers' Union, however, rejected the order of reference, declined to have anything to do with the Commission, and declared that its findings would not bind them. The main grounds of this action were that there was no provision in the order of reference for specific investigation into (i) the financial position of the shipping companies, (ii) freight rates, the way they were determined, increases since 1939, and their relation to watersiders' costs. If these matters be relevant, "they have their basis in conditions obtaining elsewhere and beyond the ability of New Zealand to control in any way".\* The Commission opened its sittings and is continuing to hear evidence without Union participation. For the moment the position is "All quiet on the Water Front".

#### Reversal of Labour Policy

THE Parliamentary Session of 1950 which lasted from June 27 to December 1 was long and interesting. In no previous session have so many Bills been passed. Its special interest lay in the fact that the National party, having come into power after its opponents, the Labour party, had held office for fourteen years, promptly proceeded to undo nationalization and remove controls, and to rip up important planks of the latter's policy.

The abolition of the Legislative Council and the reduction of subsidies have already been recorded.† On November 30 Mr. Holland told the House of Representatives that the Government had reduced the total of subsidies from £17 million to £5 million, but as the result of changed circumstances it was rapidly climbing back. At that date subsidies already amounted to £9½ million.

The Coal Mines Amendment Act made provision for the restoration to the private owners of the property in the unworked coal vested in the Crown by Part I of the Coal Act of 1948, which had empowered the Crown to acquire the property in all unworked coal on payment of compensation.

The Workers' Compensation Amendment Act abolished the monopoly of employers' liability insurance under the Workers' Compensation Act 1922 that had been given to the State Fire and Accident Insurance Office by the Workers' Compensation Amendment Act 1949, and from April 1, 1951, allowed such insurance with any private company as well as with the State office.

Section 10 of the Reserve Bank of New Zealand Amendment Act 1936 provided that it should be the general function of that Bank, within the limits of its powers, to give effect so far as may be to the monetary policy of the Government, as communicated to it from time to time by the Minister of Finance. The 1950 amendment substituted a provision that the Bank must give effect to any resolution of the House of Representatives in relation to the Bank's functions or business.

The new Zealand National Airways Act 1945 established the New Zealand Airways Corporation to provide and operate national air transport services and empowered the compulsory acquisition by it of aircraft and

\* *Evening Post*, Oct. 18.

† See *THE ROUND TABLE*, No. 161, December 1950, p. 99.

other property owned by any other aircraft service company or corporation. The Amendment Act of 1948 provided that air services were to be carried on only by the New Zealand National Airways Corporation or pursuant to a permit or contract. One plank of the National party's election programme was "To reorganize the National Airways Corporation into a public corporation by offering a portion of the capital (not to exceed 49 per cent) for public subscription so as to widen the interest and obtain a better and more experienced Board of Directors".

Under the first alternative, the purchaser of the service or any specified part of it would be required to operate it under a licence that would ensure an adequate and efficient service at reasonable fares; the purchaser would not be allowed to "pick the eyes" out of the service or to run an irregular or inadequate time-table, or to charge excessive fares.

The invitation to submit proposals, instead of formal tenders based upon a set of conditions, had been decided on because that would best secure the advantage of the fullest range of ideas.

The Government would be prepared to consider separate proposals for Cook Strait, Auckland-Whangarei, Auckland-Rotorua, West Coast South Island between Karamea and Jackson's Bay, Dunedin-Invercargill, and the Pacific regional services.

The airways last year made a loss of £328,675.

### Some Legislation of 1950

THE Land and Income Tax Amendment Act 1950 abolished the 3½ per cent that for many years had been added to the assessment of taxable "unearned" income.

By the Electoral Amendment Act 1945 the division of the Dominion into seventy-six European electorates was to be made on the basis of the adult population. By the Amendment Act 1950 the previous system was restored. In any future divisions of New Zealand into the European electorates, they will be made on the basis of the total European population, children being counted as well as adults.

The Servicemen's Settlement and Land Sales Act 1943 and its subsequent amendments made it necessary to obtain the consent of the Land Sales Court to every contract or agreement for the sale of freehold, and for leases of land for three years or more, and the sale of such leases. It fixed the basic value of other land than farm-land as its value in 1942. The Servicemen's Settlement Act 1950—a loosely drawn and confusing statute—which repealed the 1943 Act and its amendments, applied only to farm-lands. The result was that freedom from control in the sale of all other land was re-established, prices immediately rose again, and vendors in many cases are refusing to accept reasonable prices and asking in some cases and getting what can only be described as fantastic and exorbitant ones. We have gone from one extreme to the other, from unreasonable repression of competition to encouragement of the exploiter.

By the Fair Rents Act 1936 and its amendments, with the regulations and restrictions aimed at stabilizing rents, a landlord's difficulty in getting

possession of a dwelling, shop or business premises once let to a tenant had become so great that a New Zealander's home was no longer his castle but his tenant's stronghold. The Tenancy Amendment Act enabled the landlord and tenant of a dwelling-house or urban property, with the written approval of a Rents Officer, to contract out of the restrictions imposed by statute upon the recovery by the landlord of his premises and, where there had been no such contracting out, made it somewhat easier for an owner to recover premises required for his own occupation.

The result, according to a Government White Paper, is that in six months 662 agreements were made under the new law, and resulted in the release of 550 dwellings, 80 flats and 22 rooms for letting for the first time.

When the Labour Government initiated its policy of a large programme of State building of houses it made their occupants merely tenants of the State. By the Finance Act the present Government gave the tenants of these homes the option of purchasing the freehold. On the figures to date a large number of them seem likely to exercise this option.

### Capital Punishment

THE Labour Government in 1941, without even an investigation by a Committee of the House of Representatives, abolished both capital and corporal punishment. Some particularly brutal murders since, representations to judges by grand juries at criminal sessions and a general uneasiness in the community led the Government to introduce a Bill for the restoration of capital punishment, which the Prime Minister made clear was not to be treated on party lines, every member being free to vote according to his individual conscience. The Bill was referred to a Parliamentary Committee which heard evidence (*inter alios*) from both government officers and medical men who had experience in the administration of criminal law, and from humanitarian institutions such as the Howard League and representatives of Churches, and reported in favour of the restoration of the death penalty. In the debate in the House of Representatives all the familiar arguments were marshalled on either side with an additional potent one in favour of the restoration of the death penalty—the reference by some murderers in recent years upon arrest to the fact that they could not then be hanged. The third reading of the Bill in the House of Representatives was carried by 37 to 28. The passage of the Bill in the Legislative Council was not seriously contested.

### Labour's Municipal Gains

THE local-body elections on November 18—they now take place on a Saturday—were marked by apathy on the part of the electors, attributed by some cynics to the fact that the polling was held on a holiday (in Wellington only 30 per cent of the electors on the roll voted) and by pronounced gains by Labour. In Christchurch that party won the Mayoralty and 12 seats out of 19 in the Council, as against 5 seats held previously. In Dunedin, while the Citizens ticket put in the Mayor, on the Council were 6 Citizens, 6 Labour; in Auckland, Labour, previously unrepresented, gained 3 seats on

the Council out of 21; Wellington returned a Citizen Mayor, 8 Citizens, and 1 Independent, who will doubtless be anti-Labour, and 6 Labour, a split in the Citizens ticket accounting for the loss of some seats to Labour. In the Hutt Valley local bodies Labour swept almost all opponents out of existence.

The reaction is doubtless due to the increase in the cost of living, which is attributed by the thoughtless solely to the National party's action in substantially reducing subsidies. Actually, by far the greater part of the increase occurred while Labour was in office and was masked by the subsidy system. On the Labour side the result is hailed as the writing on the wall for the next parliamentary elections. The Nationalist President, Mr. W. J. Sim, K.C., has pointed out truly that while the Labour party treats local-body elections as part of its political campaign, the National party organization takes no part, but leaves them to the local citizens.

#### Constitutional and Defence Legislation

WHILE the Opposition disputed every inch of the way when measures reversing their policy were proposed, in matters of imperial or international import their co-operation was whole-hearted. The Republic of Ireland and the Republic of India Acts made it clear that republics were not to be treated as foreign countries so far as New Zealand was concerned.

The New Zealand Army Act and the Royal New Zealand Air Force Act consolidated and brought up to date the law relating to our army and air force, and made the officers and other ranks of the Regular and Territorial Forces liable for service within and outside New Zealand. The Emergency Forces Act empowered the Governor General to raise and maintain an emergency military and air force of volunteers for the purpose of fulfilling the obligations assumed by New Zealand in the Charter of the United Nations. Our special combat unit "K" Force, as it is known, entered into camp and engaged in training in August. While New Zealand acted with patriotism and promptitude in raising its contributory force, the fact that the main body of "K" Force did not leave New Zealand until December 11 should be a warning to us that, if we are effectively to implement our obligation under the Charter in a "hot" war which may break upon the world like a bolt from the blue, without warning, we must have our contributory force and equipment ready for immediate embarkation.

#### Commonwealth Parliamentary Conference

THE British Parliamentary Conference, at which 92 delegates represented 42 countries, sat from November 27 to December 1, and discussed the Economy of the Commonwealth; Parliamentary Government; Defence and Pacific Relations, Foreign Affairs (both in private); and Migration. Even judged by the brief summaries of the speeches in the daily papers the conference must be pronounced a success. Not only were the members outstanding men thoroughly representative of their respective countries, but they displayed a strong individuality and a broad outlook, and were not afraid to express themselves freely and frankly—as was shown in the debate on migration by the criticism of Govind Das of the policies of Australia and

South Africa, during which a South African delegate left the room. There was a welcome absence of patriotic platitudes and abstract generalities, which are so frequent in conferences of this kind when no resolutions are passed and no practical measures have to be decided upon. Each delegate gave his own country's view of its particular problems and difficulties *vis-à-vis* the rest of the Commonwealth, so that the subjects debated were viewed from many angles. Perhaps the most valuable feature of the conference was the presence of, and expression of opinion by, Oriental delegates, not only at the sittings of the conference but outside when they made contact and could speak freely off the record with fellow delegates of other countries, especially with New Zealanders.

### High Wool Prices—The Danger of Inflation

IN 1932 the wool clip realized £6 million, in 1949-50 it realized £60 million, and this season it might realize £150 million, provided the present high prices continue. But these high prices, instead of causing jubilation throughout the country as helping to stabilize our economic position, have been greeted with anxiety as likely to cause serious inflation. On November 24 the Prime Minister and the Minister of Marketing (Mr. Holyoke) discussed the matter with a large meeting of representatives of New Zealand Wool-growers, Federated Farmers, Meat Board and Wool Board. The result of the discussion was agreement upon the following plan, embodied in the Wool Proceeds Retention Act.

One-third of the New Zealand wool cheque this year (beginning from Friday, December 1, when the proceeds of the first Auckland wool sale are to be distributed) will be frozen. It will be placed in the trading banks in a special non-spending account in the farmer's own name. It will not bear interest but will not be taxable until it is freed. A representative committee will be set up to advise the Government on the ultimate freeing of the funds, the prevention of injustice and anomalies and the treatment of special cases. The whole plan will be reviewed in about a year's time. The details of this scheme were announced on November 25 by Mr. Holland, who said that speaking broadly wool-growers would be left with substantially more spendable cash in their hands, even after they had paid their taxes and after the compulsory levy had been deducted, than in the record 1949-50 season.

Mr. Holland indicated that the Government was making arrangements to expand import licences substantially and that in many cases it may be possible to abolish licensing altogether. The Board of Trade Act established a board to deal with this question of imports and made the members of the Commission dealing with the subject, presided over by Sir David Smith, a recently retired Supreme Court Judge, its first members.

On December 18 was announced the freeing from import licensing from soft-currency countries of an additional 87 items, being, with few exceptions goods of a class not manufactured or produced in New Zealand.

New Zealand,  
February 1951.

## CEYLON

### ASIANISM AND THE COMMONWEALTH CONNEXION

WHEN the article on Ceylon for this journal was being written last year,\* the Conference of Commonwealth Foreign Ministers in Colombo was in session. This was followed up by a conference in Sydney during May and another in London during September. The outcome of these three is the scheme for the economic uplift of South-East Asia which has come to be known as the Colombo Plan, around which must necessarily revolve much of Ceylon's economic history during 1951, and beyond.

Two tendencies, whose conflict is perhaps more apparent than real, have manifested themselves during the past year. One of them is that Ceylon is becoming more conscious of the Commonwealth. Its people are coming to realize more and more that their country is a member of the Commonwealth, a realization which has widely differing reactions. The Government appears to be convinced of the value of the connexion, and as its spokesman the Prime Minister does not hesitate to say so in public. The Opposition, particularly the Marxist portion, continues to gibe at "colonialism and imperialism", and though the emphasis on what they call Ceylon's "fake independence" is growing fainter, the unwarranted accusation that Ceylon is still in leading strings, through the Commonwealth connexion, to the United Kingdom continues to be made. There is, however, a body of opinion, not very realist or even very vocal, but existing in sections of the non-Marxist Sinhalese, which would like to go either as far as India in the direction of a Republic, or even as far as Burma in making a complete break with the Commonwealth. This is, though in part only, a manifestation of the other tendency, which for lack of a better word may be described as "Asianism", a tendency—perhaps this is the strongest term at present applicable—to suspect "Anglo-American economic imperialism"; to underestimate or even ignore the good and over emphasize the ills resulting from centuries of European occupation: to lay stress on the "spirituality" of the Orient as against the "materialism" of the West—rather a vicious simplification, in point of fact; to sympathize with the Chinese and the Japanese because they happen to live on, or just off, the same continent. Such a tendency does not necessarily conflict with the desire to remain within the Commonwealth fold, as may be seen from a broadcast address given in London recently by Mr. Senanayake; and, though of course in a different field, from the utterances of Shri Jawaharlal Nehru. The two tendencies may be said to be drawn into a focus by the Colombo Plan.

Though public opinion in Ceylon is for the most part still quite insular, its easy tolerance, which may arise from Buddhist religious tradition, tends to prevent the spread of the narrow nationalism which at times rears its head. But to the few who are internationally minded the strategic position of the

\* See *THE ROUND TABLE*, No. 158, March 1950, p. 193.

country gives much food for thought. The reaction of the average man in Ceylon to the present crisis is not unlike that of average men elsewhere—keep out of war at all costs; but there are some who realize that if the worst comes this will be impossible. Of the three enabling Acts designed to legalize the formation of defence forces, only the Army Act was put into operation in 1949, with the general impression current that the primary purpose of the Army was to be an ultimate force against the possibility of civil disorder. But now a beginning is being made, however tiny, with a regular Navy and a regular Air Force.

### Parties in Parliament

THE first general election since the achievement of independence is due not later than the middle of next year, and is already casting its shadow before. Differences of opinion within the Cabinet are far more obvious than they were a year ago, and the fact that Mr. Senanayake's Government is more of a loose coalition than one founded on "a party with a programme" becomes increasingly clear. His great personal influence has so far succeeded in holding it together, and the supporters of the present régime can only hope that it will serve to keep in order those Cabinet Ministers who do not appear to have a proper understanding of the principles of collective responsibility. The Minister of Health and Local Government has been particularly restive, and he and the Minister of Transport and Works have given vent to their political and personal differences in public, under the thinnest of veils. Seeing that these two are freely tipped as successors to the office of Prime Minister whenever Mr. Senanayake gives it up, their mutual recriminations are not a happy augury for the future of the United National party. The newly promoted Minister of State has openly denounced the Government's excise policy, and appears to have gone beyond the terms of his appointment in trying to achieve a greater measure of employment for Ceylonese executives in mercantile firms and in the planting industry. He does not belong to the U.N.P., but is the sole representative in Parliament of the Labour (non-Marxist) party: his influence with Labour has sensibly gone down during the last few years, and he is most anxious to build it up again, probably with the general election in view. Nearly all the government back-benchers, however, seem to be solidly behind the Prime Minister, and almost invariably accord him their support behind the scenes as well as in Parliament; but it is only his personal prestige that prevents the inherently centrifugal tendencies within the government parliamentary party from splitting it into several pieces.

The Opposition remains nearly as heterogeneous as ever; but it has, after much hesitation, agreed to designate as its Leader in the House of Representatives Dr. N. M. Perera, the chief figure among the Trotskyists in Ceylon. The supporters of this particular brand of Marxism were formerly divided into two sections who opposed the Government in Parliament and each other outside it: they have now induced their two leaders to come together, and Dr. Colvin de Silva, the former head of the more extreme section, is now second in command; a small remnant of the Trotskyists, however,

represented in Parliament by two lady members, has remained irreconcilable. The activities of the Communists proper have not been very noticeable: their "boss", Dr. S. A. Wickremasinghe, who spent some time in Moscow not long ago, was unable to secure election to the House of Representatives in what is perhaps the most proletarian constituency in Ceylon—Colombo Central; their leader in Parliament, Mr. Keuneman, attended the Sheffield-Warsaw "Peace Conference". Meanwhile the party itself appears to be engaged in internal rows, though it has not yet split.

There has been another attempt to form a Centre party, but if precedents are any indication, its success is highly problematical. On the other hand, a by-election which took place in the middle of the year replaced a U.N.P. member by an Independent, despite great electioneering efforts by the principal members of the party, including the Prime Minister himself. The U.N. party organization appears still somewhat undeveloped, but it is generally expected that big efforts will be made to improve its scope and efficiency between the present time and that of the general election.

### Legislation

THE most important Acts to be placed on the Statute book during 1950 were the Port of Colombo Act, the Electricity Act, the Industrial Disputes Act, the Land Acquisition Act, and an Act to afford relief from double taxation. The Port Act has reorganized the Colombo Port Commission, which was previously almost a monopoly of European interests, though it remains advisory in character; this Act may be regarded as a half-way house towards a Port Trust, which if established would probably result in more efficient methods of running what is one of the foremost ports of the world. The energetic Minister of Transport and Works succeeded in obtaining a grant of 80 million rupees for the improvement of the port, particularly in the matter of constructing alongside berths for oil ships and passenger liners; the contract was given to a French firm, owing to the absence at the time of any means for allowing relief from double taxation to British tenderers. This defect has since been remedied, but too late for this purpose. The Electricity Bill was taken in hand by a Select Committee of the Senate, turned inside out and greatly improved: the alterations were accepted by the Government, and represent the best bit of work the Senate, hitherto a somewhat useless body, has yet done. The Act in its final form brings legislation on the supply of electricity—a business run by a government department—up to date. The first stage of the Hydro-electric Scheme, far too many years in gestation, has at last been completed; 25,000 kilowatts of electricity are now available from the completed installation, and for the first time Ceylon is producing its own power, the essential condition for the setting up of industries within the country, which is one of the main planks of government policy. The first application of this may be to supply the motive power for tea factories, nearly all of which have hitherto furnished their own power by small electrical plants or by oil engines. It remains to be seen whether the supply of electricity from government sources will be cheap enough and efficient enough to induce the companies who control the estates to change over.

A certain surplus would in any case be available for industrialization, as well as for the lighting of Colombo and other towns; but any full-scale programme of industrialization must await the completion of the next two stages of the Hydro-electric Scheme: the second stage is just starting, but is not likely to be completed earlier than 1955.

The Industrial Disputes Act regulates the relations between employers and trade unions to the extent of setting up machinery for the settlement of disputes which is voluntary in most cases, but compulsory in the case of certain industries which may be declared essential; what these are to be is not yet clear. Employers in Ceylon are organized into two federations, one dealing exclusively with labour questions on estates, the other with the remainder. Trade-union organization is going ahead, but save for estate labour, which is mostly in the hands of a union led by Indians resident in Ceylon, it is apt to be crude, over-political, and financially weak. Attempts, mainly by Marxists, to organize unions of peasants have met with hardly any success at all.

The Land Acquisition Act, which met with considerable opposition outside Parliament, has regularized a position which had become somewhat complicated owing to the setting up on top of the former Ordinance of several defence regulations during the World War. It leaves very great powers of requisitioning land in the hands of the Government, which may be used freely should another war occur, but which also may be used to relieve congestion due to the growth of village populations, and their hunger for land.

During the early part of last year the Prime Minister brought in a constitutional amendment bill of a tripartite character. Its first object was to modify the somewhat sweeping character of the disqualifications for the franchise and for membership of either House of Parliament, the second to extend reciprocal terms to Commonwealth citizens, primarily of the United Kingdom, so as to enable them to sit in Parliament even if they are not citizens of Ceylon—there are five such persons sitting now; and the third, to set up a commission to revise the delimitation of constituencies. It was the second of these which produced opposition, the seven Indian members feeling that it would ultimately discriminate against their position. This is not necessarily the case, for there is no very great difficulty in the way of any of them who wishes to adopt Ceylon citizenship; and, as the conditions under which non-Indians may become citizens of the Republic of India are not yet determined, they may possibly be much wider in scope than the corresponding ones in Ceylon. However, they voted against the Bill, which in consequence, though it passed the House of Representatives, failed to get the necessary two-thirds majority, and had to be dropped. The Prime Minister refused to split the amending bill into three parts, so that the Opposition in their unwillingness to swallow the powder were denied a taste of the jam.

Two bills of importance are now before Parliament, one to comprehend under one act the various ordinances dealing with motor traffic and transport, the other to amend the educational code. The former is a wide and useful measure, but has evoked the wrath of the Opposition by turning the omnibus companies into public companies instead of nationalizing them; even munici-

palities are not to be allowed to run internal bus services. The Bill makes a beginning of road-rail co-ordination by refusing to permit lorry journeys of more than 60 miles along routes running parallel to railway lines. The Education Bill is an attempt to put right some of the anomalies in the scheme of free education into which the Minister of Education under the preceding dispensation somewhat thoughtlessly rushed: but there are other amendments to come, which were set out in a White Paper published and debated about the middle of the year; perhaps the most important development envisaged is to turn secondary education away from the over-academic character which it has borne for many years, and to give it a more practical and vocational bias in the majority of secondary schools. Its most controversial points, over which much public dispute is still raging, is the extent to which the two national languages, Sinhalese and Tamil, should be used as the media of instruction, the compulsory teaching of English as a second language, and the continuance of financial assistance to schools which charge fees.

On January 23 the Speaker of the House of Representatives, Sir Francis Molamure, who was also the first Speaker of the old State Council, collapsed in his Chair during a debate, and died two days later. At the moment of writing his body is lying in state in the Assembly Hall of the House of Representatives, and a ceaseless stream of the public has been filing past it, all day and all night. Sir Francis belonged to one of the old families of Kandyan chieftains; he was an excellent Speaker, and did much during his three years' tenure of office to maintain dignity and discipline in the House according to the best parliamentary traditions. He was an enthusiastic champion of the branches in Ceylon of the Commonwealth Parliamentary Association and the Inter-Parliamentary Union, and flew many thousands of miles during the last three years to attend the council meetings and conferences of those bodies. It will not be easy to replace him.\*

#### Financial and Economic Development

THE budget, introduced in July at the beginning of the new session, contained no particular surprises except the imposition of an extra 15 cents (about 2½d.) on exported tea, which has considerably annoyed some of Ceylon's oversea customers, bringing as it does the total export duty up to about 10d. per lb. A small concession was made to the poorer taxpayers by raising the minimum of taxable income to Rs.4,800 (about £360) per annum, compensated by a small increase on the higher incomes. The high import duties imposed in the Finance Minister's first budget, and inspired by his constant fear of an adverse balance of payments, were taken off all articles which could be designated as necessities, but retained on luxuries such as "foreign liquor" and tobacco.

The new Central Bank has started operations, and the Government, wise in its second thoughts, has secured the services as Governor of the American expert from the U.S.A. Federal Bank who drew up the report and drafted the

\* In a personal letter to the Editor, written later than the article, the author estimates that nearly 100,000 people attended the cemetery when the late Speaker was cremated.

necessary legislation. The founding of the bank, together with the introduction of the Colombo Plan, has helped in settling on the basis of a seven years' agreement the vexed question of Ceylon's sterling assets in the United Kingdom; dollar releases have been a little more generous.

For the time being the fears of the Minister of Finance on the subject of adverse balances of trade and of payments have been stilled. The high prices obtained in the world's markets for tea and for coconut products, and above all the spectacular rise in the price of rubber, have affected this, and have also brought about a certain liberalization of import controls. These price rises, of rubber in particular, really represent a desirable improvement in Ceylon's terms of trade, which have been moving steadily in an adverse direction since before the end of the war.

The prosperity of the three agricultural export industries has somewhat masked the attempts that are being made to diversify the island's economy by industrialization and to increase the production of food. A factory for the manufacture of cement in the northern part of the island has come into production, but not yet at such an economic level as will shut out imports of foreign cement if free competition is allowed. Other industrial projects, for the most part started in haste during the war, and uneconomically run since that time, are being reorganized or scrapped, and major projects such as the manufacture of fertilizers and of paper have not got much beyond the blueprint or the tendering stage. The technical and financial aspects of the Colombo Plan should ultimately prove of considerable assistance in any long-term schemes of industrialization: Ceylon has neither the trained technicians nor the fluid capital to make any immediate strides in this direction; but there seems no reason why a limited amount of industrial development in the processing of indigenous products should not be feasible, given wise planning and cautious encouragement of the foreign investor. The Ceylonese are perhaps unduly nervous of the latter, but they cannot do without him. The few local capitalists prefer to invest their money in buying the tea estates which are being offered to them, in the present juncture at high prices, by British owners, usually individuals or small companies: but there is no sign yet of a general withdrawal of British capital; this appears unlikely unless rash or discriminatory action inspired by an unthinking nationalism is taken by the Government, which action would be equally discouraging to new investors from abroad.

The comparative ease with which the transition from colonial to dominion status took place is due, it is too often forgotten, to a gradual process of nearly thirty years, during which political power was handed over by degrees, and Ceylonese were introduced bit by bit, though with an increasing *tempo*, into the administration, there to receive a thorough training at the hands of experienced British administrators. Into business enterprises and even into the agricultural export industries the Ceylonese in the past showed very little desire to enter, though indeed little encouragement was afforded to them to do so: these were therefore almost exclusively in non-Ceylonese hands. Recently there has been a disposition to resent this as a slur upon the real independence of the country, and an agitation for the rapid "Ceyloniza-

tion" of business has arisen. This has been given official stimulus by the promotion mentioned earlier of the Minister without Portfolio to "Minister of State", with the encouragement of this process assigned to him as one of his functions. In point of fact both Indian and British concerns have for some little time been taking in young Ceylonese for training with a view to holding executive posts in the future; the Government will do well to remember that training in business and estate management not only takes just as long as training in administration, but also involves greater risks; they will accordingly be wise if they prefer infiltration to legislation.

### Prospects of Prosperity

**G**IVEN the continuance of peace, however uneasy, Ceylon's political and economic future may be estimated as bright, perhaps the brightest in the whole of South-East Asia. This future will, however, depend upon the way in which her leaders handle her problems. The strategic importance of the island, not only from the naval and military but also from the economic angle, is out of all proportion to its size and population—though it is not uninteresting to remember that this population does not fall far short of the total population of Australia. Indeed, the rapid increase of population and the rise in the cost of living constitute two of the country's most fundamental and most difficult problems. A recent attempt by the Minister of Finance to cope with the latter in the case of government servants by the grant of a "special living allowance" is likely to create problems in a wider sphere: a fairly substantial allowance has been made to middle-class clerical employees, and a small one to those of the working class. But as there is every likelihood that the grant of these allowances will spread to all wage earners, even those whose wages have been determined by wages boards, the country's wage bill may on the aggregate increase by a very large sum. It is of course desirable that the standard of living in Ceylon, as elsewhere in South-East Asia, should be raised; it will be interesting to see if the grant of this allowance will have any effect in increasing the efficiency of labour, and thus bringing about an expansion of production. If it does not do so, it will have to come out of profits, and this may have an adverse effect on the revenue of the island. As things are at present, rubber and coconut products can and possibly will be made to bear a higher rate of export duty; but this is not the case with tea.

The present prosperity of Ceylon has fictitious elements. Tea, partly owing to the failure of Indonesia to revive its production, is still a seller's market, but may not so remain. Stockpiling has much to do with the price of rubber, and perhaps of coconut products also: but only a year ago the rubber industry was on the verge of a total collapse, and the Minister of Finance described it as a wasting asset. One of the main lessons which the Ceylonese must learn, and learn quickly, is not to spend their profits, but to plough them back into their enterprises: not to spend their increased wages, but to save against a rainy day. For assuredly it will come.

Ceylon,  
January 1951.

# COMMONWEALTH RELATIONS

## THE DOWNING STREET CONFERENCE

BY chance or good judgment, the Conference of Commonwealth Prime Ministers, held in London in January 1951, took place at a juncture of peculiar importance in world affairs, when the deliberations of such a Commonwealth meeting could have a momentous effect upon their course. One may be allowed to doubt whether accident or design was responsible, because the conspicuous fact was, not that the Prime Ministers' Conference was called, but that it was not called sooner: one meeting in October 1948, to confirm the very existence of the post-war, multi-racial Commonwealth as a living, coherent entity, and one in April 1949 to consider the special issue of India's intention to become a Republic, had been the only Commonwealth conferences at the highest ministerial level since the second world war, in a period of swift and dangerous developments in world affairs. A meeting to consider the content of member nations' policies in face of those developments, and to reconcile tendencies to diverge, was widely regarded as overdue. Whether, then, the meeting last January was timed for the events that confronted it, or the events happened to coincide with a meeting summoned because at last a mutually convenient date seemed to have occurred, it is hard for any but its conveners to say.

What is certain is that the Prime Ministers assembled at a moment when their discussions—particularly any demonstration of their solidarity—might well be of decisive significance for the world. The Korean war, and especially the intervention of the Chinese (which took place after the summoning of the Commonwealth Conference had been agreed upon), had thrown up issues which threatened to divide the democratic world, in particular its Asian from its Western parts. Nothing could be more dangerous for the democracies (except perhaps a split between the British Commonwealth and the United States) or more gratifying to their Communist foes. As a means of preventing or healing such division the United Nations seemed to be failing; indeed it too often appeared as the forum and occasion, not for reconciling, but for asserting and precipitating differences, even within the non-Communist camp. The firmest bridge between East and West was manifestly the Commonwealth, and, if that bridge could hold, then the rift that appeared to be developing in the United Nations need not be fatal.

The problem presented itself in specially sharp focus for the United Kingdom. As an Atlantic and European Power, she was pulled one way; as a Commonwealth Power, intensely interested in preserving good relations with Asian countries, she was pulled another way; as a colonial Power in the East, anxious for peace and neighbourliness there yet dreading any accession of Communist strength at the expense of Western power and prestige, her motives were divided. It is a mark of her dilemma—shared in greater or less degree by all the older Dominions—that within a couple of weeks of a

Commonwealth conference at which she and India and all the other members had agreed on a joint declaration on the means to peace, and a certain common line of policy had consequently emerged at Lake Success, she voted against India on the United Nations resolution condemning Chinese aggression, with Pakistan abstaining, and the rest of the Dominions on her side. On that evidence it would appear that Commonwealth concord was thin and transitory.

That, however, does it less than justice. The Prime Ministers' declaration did represent a certain common attitude towards world affairs, particularly in the Far East, an attitude that at once had its effect in the United Nations in moderating the policy pressed by the United States, and in securing a much closer approach to unanimity among the non-Communist members of the Assembly than might otherwise have been the case; an attitude which will also have its effect in the future. Its main elements were these: peace is a paramount aim; war is not inevitable; a revolution has been proceeding in the Far East and we must accommodate ourselves to it; peace must be not only defended, but constructed, by such means as the Colombo Plan; at the same time the United Nations must be upheld and aggression repelled; rearment is needed, not to win an inevitable war, but to prevent warmakers from being tempted by our weakness, and so to preserve the paramount aim of peace.

#### Agreements and Disagreement

THE bare record of the Conference is that it assembled on January 5, Dr. Malan being represented, on account of his illness, by Dr. Donges, and Mr. Liaquat Ali Khan not attending until January 8, for want of assurance that the problem of Kashmir would be discussed: that it adjourned on January 12 with the issue of a *communiqué* summarizing its work and a declaration on common aims. To this must be added the fact that on January 12, largely through the influence of the Commonwealth countries conveyed from London, the United Nations Political Committee adopted a resolution calling for a cease-fire in Korea, to be followed by a withdrawal of armed forces and a conference of the Powers chiefly concerned (including Communist China and the U.S.S.R.) to consider all outstanding questions in the Far East. It was a reply to this resolution from Peking, tantamount in the view of most countries to a rejection, that reduced the Commonwealth countries to a divided front again at Lake Success.

Apart from the imbroglio with China, the *communiqué* recorded that the Prime Ministers discussed the terms of a peace settlement for Japan, which they regarded as an urgent need. It reaffirmed common concern in the Middle East, especially as a vital artery of communications. It referred in general terms to the defence and economy of Western Europe. It recorded agreement to recommend to member Governments that the existing Commonwealth machinery for economic consultation among them should be strengthened in respect of the supply and production of raw materials—a problem that was rapidly becoming of acute interest to all the participants. (The principal existing machinery was a committee of officials known as the Commonwealth Liaison Committee, meeting in London.)

A final paragraph noted that several of the Prime Ministers would be remaining in London for a few days longer, and would take the opportunity of discussing matters lying outside the scope of the meeting just concluded. This was generally assumed to refer mainly to the problem of Kashmir. When Mr. Liaquat Ali Khan had insisted on an assurance that this problem would be on the Conference agenda, the reply had been that there were no formal agenda; the Prime Ministers, when gathered together, decided by mutual agreement what should be discussed. After they had done so in his absence, the Pakistan Prime Minister was sufficiently mollified to attend, but it is clear that at least one of his colleagues in London, Dr. Donges, and possibly others, were unready to become involved in a formal discussion of an explosive bilateral dispute. After Mr. Menzies, Mr. Nehru and Mr. Liaquat Ali Khan had spent the post-Conference week-end at Chequers with Mr. Attlee, the name of the Union was significantly omitted from the official statement, issued on January 15, that "the Prime Ministers of the United Kingdom, Canada, Australia, New Zealand and Ceylon had had informal meetings with the Prime Ministers of India and Pakistan on the Kashmir problem". The statement added that suggestions were put forward for its solution and points of disagreement narrowed, although agreement had not been reached. The stress on informality, and the use of the term "suggestions", reflected an obvious anxiety to avoid any hint of Commonwealth arbitration or Commonwealth policy in the matter. The other Prime Ministers, however (continued the statement), impressed with the need for an early settlement, hoped that the suggestions would be given the fullest consideration by the Prime Ministers of India and Pakistan.

A couple of days later, at a press conference, Mr. Liaquat Ali Khan revealed that three proposals had been made for a "neutral" force to control Kashmir and Jammu (or whatever lesser area was submitted to plebiscite) between the withdrawal of Indian and Pakistani forces and the implementation of the voting results: a force of Commonwealth troops—an offer of which was understood to have emanated from Mr. Menzies; a joint Indo-Pakistani force; and a local militia raised by the United Nations plebiscite administrator. Each in turn, said Mr. Liaquat, he had accepted, but Mr. Nehru had rejected. This revelation came as a shock to British opinion, which had allowed itself some hopes about Kashmir, hopes that had been kept alive by Mr. Nehru's earlier statement to the press, apropos the Kashmir talks, that "it was not possible *then* to come to any *final* agreement". There were not lacking those to contrast Mr. Nehru's stand on Kashmir with his readiness to press for the removal of troops of both sides from Korea before means were found to give it a new, independent régime; but the personal feelings of a statesman who is himself a Kashmiri may have been involved.

The persistence of this dangerous and debilitating quarrel over Kashmir, with all the other differences between India and Pakistan that had flowed from it, was undoubtedly a grave blot on the success of the Prime Ministers' Conference and on the prestige conferred on the Commonwealth by the solidarity that it had shown in other respects. Nevertheless, it is impossible to read again the Prime Ministers' declaration, recalling the perilous world

situation in which it was made, without renewing the belief that the meeting was of the utmost value to its member countries, and to a war-distracted world, and that the Commonwealth has as much to contribute to the cause of peace, security and progress now as ever in the past. For convenience of reference, the text of this memorable document is reprinted below.

### Declaration by Commonwealth Prime Ministers

The Prime Ministers of the United Kingdom, Canada, Australia, New Zealand, India, Pakistan, Ceylon, and Southern Rhodesia and the South African Minister for the Interior representing the Prime Minister of South Africa, desire, before concluding the present London Meeting, to state in simple terms some of the great principles which have inspired the discussions and strengthened mutual understanding.

Our historic Commonwealth which comprises one-fourth of the world's population and extends over all the continents and oceans of the world, is singularly well constituted to enable it to study and in some measure to comprehend the vexed questions which beset the world. These do not fit neatly into old patterns. In Europe there are grave and urgent problems which must be solved, and in Asia the rise of new nations and new national unities must be recognized, if peace is to be secured on a basis of justice and prosperity.

The Commonwealth has the unique quality of embracing nations and peoples from every Continent. Our own meetings have therefore given us special knowledge, and have left us with a special sense of responsibility.

We are, both jointly and severally, pledged to peace. This is not merely a pledge given to other nations; it is solemnly given to our own.

We believe that there are certain courses which must be pursued if real peace is to come.

First, the wounds of the last war must be healed: settlements with Germany and Japan should be made with speed.

Second, we must do what we can to understand those who appear to differ from us. The great antidote to war is hope; its greatest promoter is despair. When we say that war is not inevitable, we do not just mean that we shall prepare and be strong, and that our strength may deter aggression. We also mean that, in a world worn out and distorted by war, there must be an overwhelming majority of the people of all lands who want peace. We must not despair of reaching them. In all our discussions we have made it clear to each other, as we now do to the world, that as Commonwealth Prime Ministers we would welcome any feasible arrangement for a frank exchange of views with Stalin or with Mao Tse Tung. We should, in the name of common humanity, make a supreme effort to see clearly into each other's hearts and minds.

We do not seek to interfere in the affairs of the Soviet Union or China or any other country; we are simply determined to retain the mastery of our own affairs, without fear of aggression.

It is with these considerations in mind that in the last few days we have directed our efforts to the securing of a cessation of hostilities in Korea, so that around the conference table the great powers concerned may compose their differences on a basis which will strengthen the United Nations and fulfil the purposes of the Charter.

We all have deep within us a faith in the existence of a purpose of justice in this world, and we believe it to be our duty to forward it by everything we do. Indeed,

this sustaining faith derives added strength from the fact that at our meetings it has been simply and sincerely expressed by men of widely different races, traditions and creeds.

We think it proper to declare once more that the Commonwealth countries, though they have a special and precious association which they value profoundly, do not regard themselves as some sort of exclusive body. They welcome co-operation with other nations. It has been their privilege to be able to work closely with the United States of America, whose efforts in the direction of assisting many war-stricken nations are warmly regarded, and whose practical support of the United Nations has contributed much to the strength of that organization. We will at all times seek, by process of discussion, to promote the utmost harmony among ourselves and to arrive at common international policies with the United States, and with all other friendly and co-operative nations.

Our support of the United Nations needs no reaffirmation. The Commonwealth and the United Nations are not inconsistent bodies. On the contrary, the existence of the Commonwealth, linked together by ties of friendship, common purpose and common endeavour, is a source of power behind the Charter.

We of the Commonwealth recognize that the peace and prosperity of the free world cannot be assured while millions live in poverty. We are therefore resolved, while keeping our own economies strong, to promote economic and social development in the under-developed countries, by providing such financial and economic assistance as we can command and by making full use of our resources of scientific and technical experience. The Colombo Plan is practical evidence of this intention. The Commonwealth countries concerned will continue to contribute, to the full extent of their ability, towards the execution of this and similar schemes for developing economic resources and raising social standards.

In brief, the problem of peace is that of removing the causes of war; of easing tension and promoting understanding; of assisting those less-developed nations which need our aid; of being at all times willing to discuss our differences without foolishly assuming that all attempts to secure peace are a form of "appeasement". We will cultivate the friendships we now have, and hope that with wise approaches differences may become less and ultimately disappear.

But, while we say these things with a full heart, we are bound to add that, so long as the fear of aggression exists, we will have to strengthen our defences with all speed and diligence. This may well result in placing heavy burdens upon our peoples. It is our firm belief that the rule of law should govern human conduct; and we are prepared to accept whatever sacrifices may be necessary to uphold, with all other nations, those principles of international law and order which are essential conditions for world peace and progress.

**STATEMENT OF THE OWNERSHIP, MANAGEMENT,  
CIRCULATION, etc., required by the Act of Congress of  
August 24, 1912, as amended by the Acts of March 3, 1933,  
and July 2, 1946 (Title 39, United States Code, Section 233),  
of THE ROUND TABLE, published quarterly at New  
York, N.Y. for October 1, 1950.**

1. The names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, The Round Table Ltd., 15 Ormond Yard, Duke of York Street, London, S.W. 1; Editor, Dermot Morrah, Esq., 15 Ormond Yard, Duke of York Street, London, S.W. 1; Business Manager, (Hon. Sec.) Ivison S. Macadam, Esq., C.B.E., M.V.O., 15 Ormond Yard, Duke of York Street, London, S.W. 1.
2. The owner is: The Round Table Ltd., 15 Ormond Yard, Duke of York Street, London, S.W. 1 (Registered under the Companies Acts as a 'Company Limited by Guarantee and not having a Share Capital').
3. The known bondholders, mortgagees, and other security holders, owning or holding 1 percent or more of total amount of bonds, mortgages, or other securities are: none.
4. Paragraphs 2 and 3 include, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting; also the statements in the two paragraphs show the affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner.

**DERMOT MORRAH, *Editor.***

Sworn to and subscribed before me this 1st day of October, 1950. **GEORGE R. MOWBRAY, Justice of the Peace. (My commission is for life.)**

PRINTED IN GREAT BRITAIN  
AT THE UNIVERSITY PRESS, OXFORD  
BY CHARLES BATEY  
PRINTER TO THE UNIVERSITY

